EOG Resources, Inc. P.O. 1910 Vernal, UT 84078

November 17, 2005

Utah Division of Oil, Gas, & Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL CHAPITA WELLS UNIT 1117-22 NE/SW, SEC. 22, T9S, R23E UINTAH COUNTY, UTAH LEASE NO.: U-01301 FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789, 4120

Phone: (435)789-4120 Fax: (435)789-1420

Sincerely,

Ed Trotter Agent

EOG Resources, Inc.

Attachments

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires March 31, 2007

5. Lease Serial No.

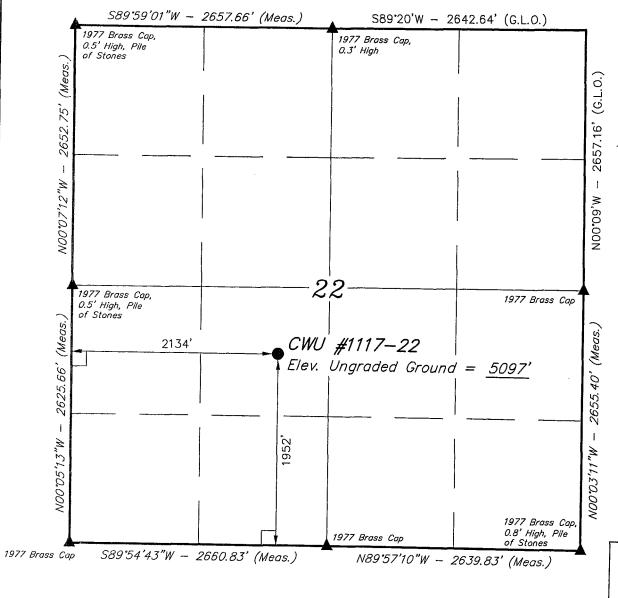
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6. If Indian, Allottee or Tribe Name

APPLICATION FOR PERI	MIT TO DRILL OR REENTI	ER	i indian, i motico (i Thoc ivalle		
1a. Type of Work: X DRILL		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT				
1b. Type of Well: Oil Well X Gas Well Ot	her Single Zone X Multiple Zone		ease Name and WAPITA WEL	ell No. LS UNIT 1117-22		
2. Name of Operator EOG RESOURCES, INC.		9. A	API Well No.	17-37496		
3a. Address P.O. BOX 1815 VERNAL, UT 84078	3b. Phone No. (Include area code) (435)789-0790	N	10. Field and Pool, or Exploratory NATURAL BUTTES			
At surface 1952' FSL, 2134' FWL At proposed prod. Zone	ance with any State requirements.*) 9438697 40.019603 14310847 NE/SW -109, 314163	İ	E., T., R., M., or B EC. 22, T98 S.L.B.&N			
14. Distance in miles and direction from nearest town or po 24.89 MILES SOUTHEAST OF O			unty or Parish	13. State UTAH		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. Unit line, if any)	16. No. of Acres in lease 2520	17. Spacing	g Unit dedicated to			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C	19. Proposed Depth 8815	1	20. BLM/BIA Bond No. on file NM-2308			
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5095.7 FEET GRADED GROUND	21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5095.7 FEET GRADED GROUND 22. Approximate date work will start* UPON APPROVAL			23. Esti mated duration 45 DAYS		
Attachments	24. Attachments					
The following, completed in accordance with the requirements. 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National For Suppose Supposed S	4. Bond to cover the (see Item 20 ab	operations unle pove). tion. cific information	ess covered by an e			
25. Signature	Name (Printed/Typed) Ed Trotter			Date Ovember 17, 2005		
Agent						
Approved by (Signature)	Name (Printed/Typed) BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III		Date	-17-06		
Title	Office					
Application approval does not warrant or certify that the appl conduct operations thereon. Conditions of Approval, if any, are attached.	icant holds legal or equitable title to those right	s in the subject	lease which would	entitle the applicant to		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 12	12, make it a crime for any person knowingly ar	nd willfully to n	nake to any departi	ment or agency of the		

United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

T9S, R23E, S.L.B.&M.



LEGEND:

= 90° SYMBOL

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

(NAD 83)

LATITUDE = $40^{\circ}01'10.39"$ (40.019553)

LONGITUDE = 109'18'53.61" (109.314892)

(NAD 27)

LATITUDE = $40^{\circ}01'10.51"$ (40.019586) LONGITUDE = $109^{\circ}18'51.17"$ (109.314214)

EOG RESOURCES, INC.

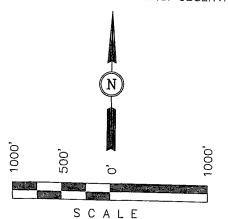
Well location, CWU #1117-22, located as shown in the NE 1/4 SW 1/4 of Section 22, T9S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIE

> REGISTERED LAND SURVEYOR REGISTRATION NO. 1161319 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017

1" = 1000'	DATE SURVEYED: 09-22-05	DATE DRAWN: 09-28-05
T.B. B.C. P.M.	REFERENCES G.L.O. PLA	T
WEATHER WARM	FILE EOG RESOI	JRCES, INC.

EIGHT POINT PLAN CHAPITA WELL UNIT 1117-22 NE/SW, SEC. 22, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River FM	1,547'
Wasatch	4,464'
North Horn	6,404'
Island	6,580'
KMV Price River	6,808'
KMV Price River Middle	7,476'
KMV Price River Lower	8,159'
Sego	8,618'

Estimated TD: 8,815' or 200'± below Sego top

Anticipated BHP: 4,815 Psig

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft \pm of the Green River Formation, with top at about 2,000 ft \pm .
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig

BOP schematic diagrams attached.

4. CASING PROGRAM:

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Ī	<u>iole sizi</u>	<u>E INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	GRADE	THREAD	COLLAPSE	E /BURST/ TENSILE
Conductor	17 ½"	0'-45'	13 ¾ "	48.0#	H-40	STC		
Surface		45'-2,300'KB±	9-5%"	36.0#	J-55	STC	2020 PSI	•
Production:	7-7/8"	$2,300' \pm - TD$	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi 223,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5%" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone. All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

EIGHT POINT PLAN **CHAPITA WELL UNIT 1117-22** NE/SW, SEC. 22, T9S, R23E, S.L.B.&M.. **UINTAH COUNTY, UTAH**

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd ioint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300' \pm - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'±-TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations Reference:

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

8. EVALUATION PROGRAM:

Logs:

Mud log from base of surface casing to TD.

Cased-hole Logs:

Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead:

Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCI₂, 3 lb/sx GR3 1/4 #/sx

Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail:

Class "G" cement with 2% CaCI₂, ½#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps

water.

EIGHT POINT PLAN CHAPITA WELL UNIT 1117-22 NE/SW, SEC. 22, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Top Out: As necessary with Class "G" cement with 2% CaCI₂, ½#/sk Flocele mixed at 15.6 ppg, 1.18

ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: 112 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65

(Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19

gps water.

Tail: 850 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch. Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

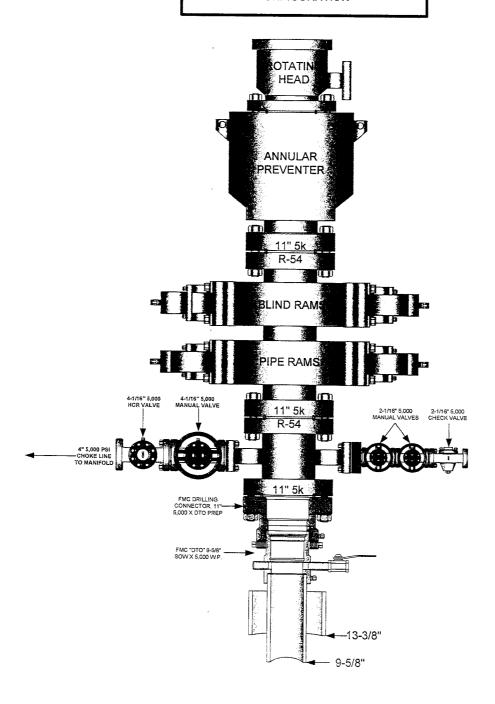
12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

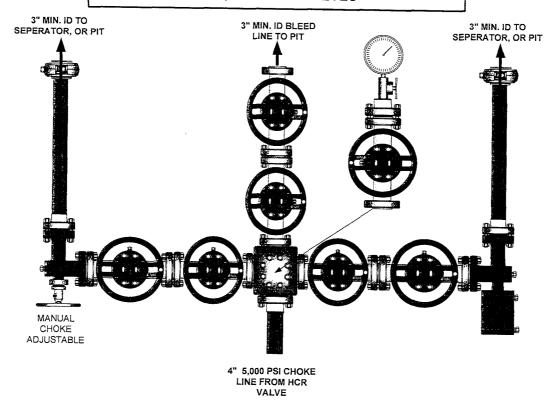
EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION

PAGE 1 OF 2



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 0F 2



Testing Procedure:

- 1. BOP will be tested with a professional tester to conform to Onshore Order #2.
- 2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
- 3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
- 4. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
- 5. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
- 6. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

CONDITIONS OF APPROVAL FOR THE SURFACE USE PROGRAM OF THE APPLICATION FOR PERMIT TO DRILL

Company/Operator:

EOG Resources, Inc.

Well Name & Number: Chapita Wells Unit 1117-22

Lease Number:

U-01301

Location:

1952' FSL & 2134' FWL, NE/SW, Sec. 22,

T9S, R23E, S.L.B.&M., Uintah County, Utah

Surface Ownership:

Federal

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction

of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice:

- at least twenty-four (24) hours prior to

spudding the well.

Casing String and

Cementing

- twenty-four (24) hours prior to running

casing and cementing all casing strings.

BOP and related

Equipment Tests

- twenty-four (24) hours prior to running

casing and tests.

First Production

Notice

- within five (5) business days after new

Well begins or production resumes after Well has been off production for more

than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 24.89 miles southeast of Ouray, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 150 feet in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. An 18" culvert will be installed in the access road where it enters the location. No other culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

3. <u>LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION</u>

- A. Abandoned wells 2*
- B. Producing wells 3*

(*See attached TOPO map "C" for location)

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. ON WELL PAD

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
- 2. Gas gathering lines A 4" gathering line will be buried from dehy to the edge of the location.

B. OFF WELL PAD

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. A 4" OD steel above ground natural gas pipeline will be laid approximately 596' from proposed location to a point in the NE/SW of Section 22, T9S, R23E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Chapita Wells Unit, thus a Right-of -Way grant will not be required.
- 3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
- 4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the East side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities

required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 mill plastic liner.

8. ANCILLARY FACILITIES

A. No airstrips or camps are planned for this well.

9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:

 Hi-Crest Crested Wheatgrass 9 pounds per acre

 Kochia Prostrata 3 pounds per acre.

The final abandonment seed mixture for this location is:

Gardner Salt Bush – 4 pounds per acre Shad Scale – 3 pounds per acre Hi-Crest Crested Wheat Grass – 2 pounds per acre

The reserve pit will be located on the Southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the South side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil Southwest of Corner #5. The stockpiled location topsoil will be stored between Corners #2 and #8, as well as East of Corner #6. Upon completion of construction, the stockpiled topsoil from the location will be

broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpiller tractor.

Access to the well pad will be from the West.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. <u>DRY HOLE/ABANDONED LOCATION</u>

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Federal Location: Federal

12. OTHER INFORMATION

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:
 - whether the materials appear eligible for the National Register of Historic Places;
 - the mitigation measures the operator will likely have to undertake before the site can be used.
 - a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification

from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- В. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

An 18" culvert will be installed in the access road where it enters the location.

A pond will be built according to BLM specifications Southwest of Corner #6 and a diversion ditch will be built along the West side of the location.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

Ed Trotter P.O. Box 1910 Vernal, UT 84078 Telephone: (435)789-4120

Fax: (435)789-1420

DRILLING OPERATIONS

Donald Presenkowski EOG Resources, Inc.

P.O. Box 250

Big Piney, WY 83113

Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1117-22 Well, located in the NE/SW of Section 22, T9S, R23E, Uintah County, Utah; Lease #U-01301; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

9

11-17-2035 Date

CWU 1117-22 D

Request for Exception to Buried Pipeline Requirement For the Chapita Wells Unit 1117-22 NE/SW, Sec. 22, T9S, R23E Lease Number U-01301

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

- 1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately .68 acres.
- 2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
- 3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
- 4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
- 5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
- 6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
- 7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
- 8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
- 9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
- 10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

EOG RESOURCES, INC. CWU #1117-22 SECTION 22, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATLEY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A DIRECTION APPROXIMATELY 4.5 MILES TO THE SOUTHEASTERLY JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; AND PROCEED IN A NORTHEASTERLY DIRECTION LEFT APPROXIMATLEY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATLEY 0.2 MILES TO JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; PROCEED IN SOUTHEASTERLY, THEN SOUTHWESTERLY, DIRECTION APPROXIMATLEY 0.8 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE CWU #1051-22 TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE CWU #1095-22 TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 350' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 150' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.9 MILES.

EOG RESOURCES, INC.

CWU #1117-22

LOCATED IN UINTAH COUNTY, UTAH SECTION 22, T9S, R23E, S.L.B.&M.

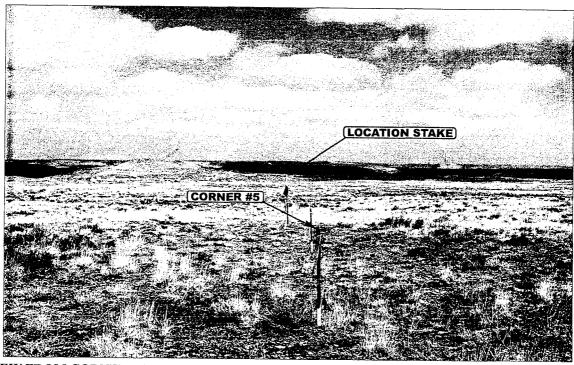


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

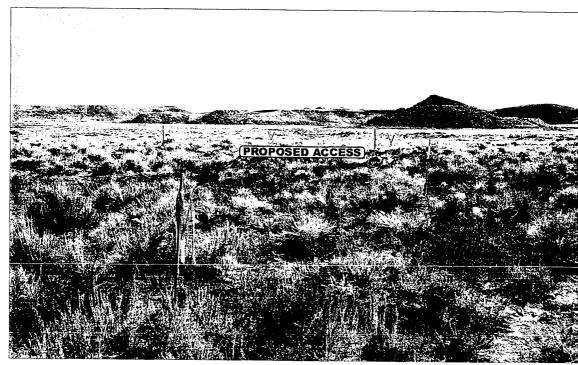


PHOTO: VIEW FROM BEGINING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



Uintah Engineering & Land Surveying

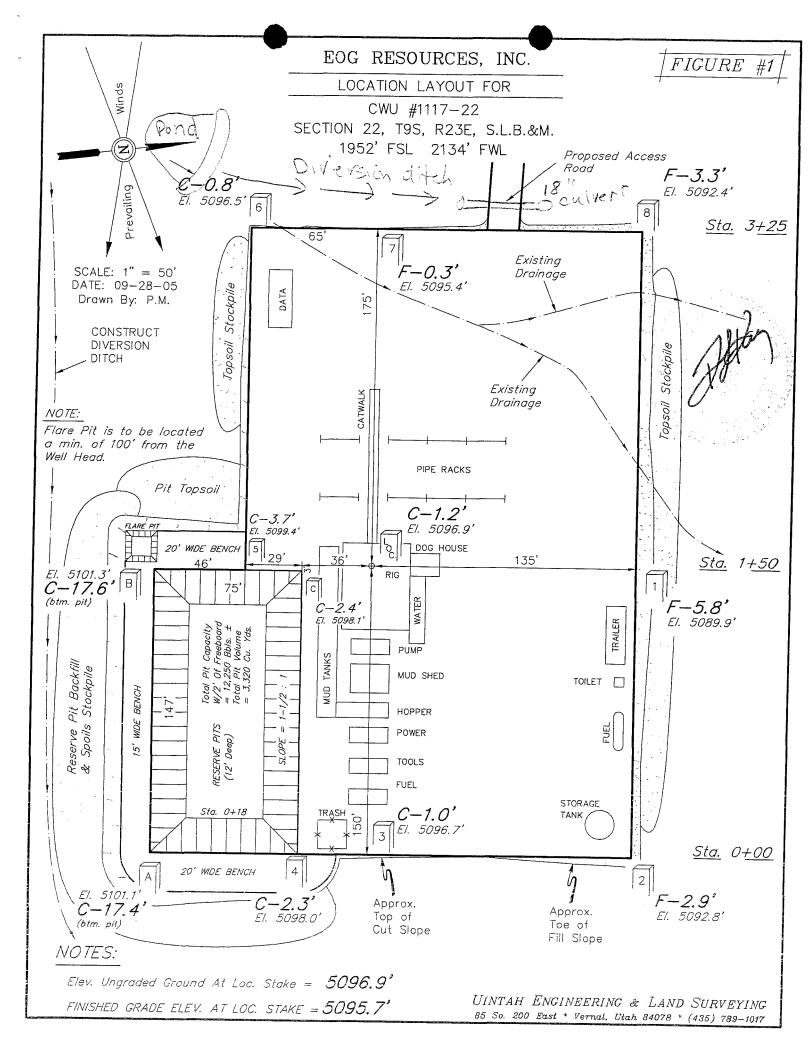
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

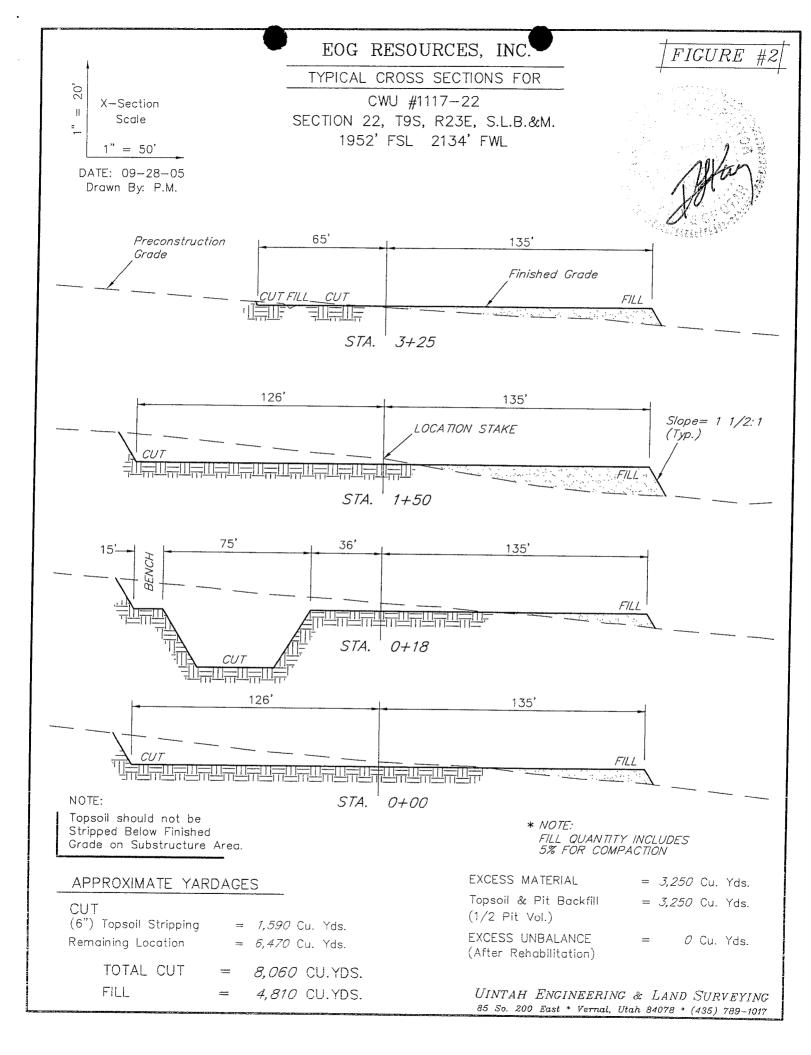
LOCATION PHOTOS

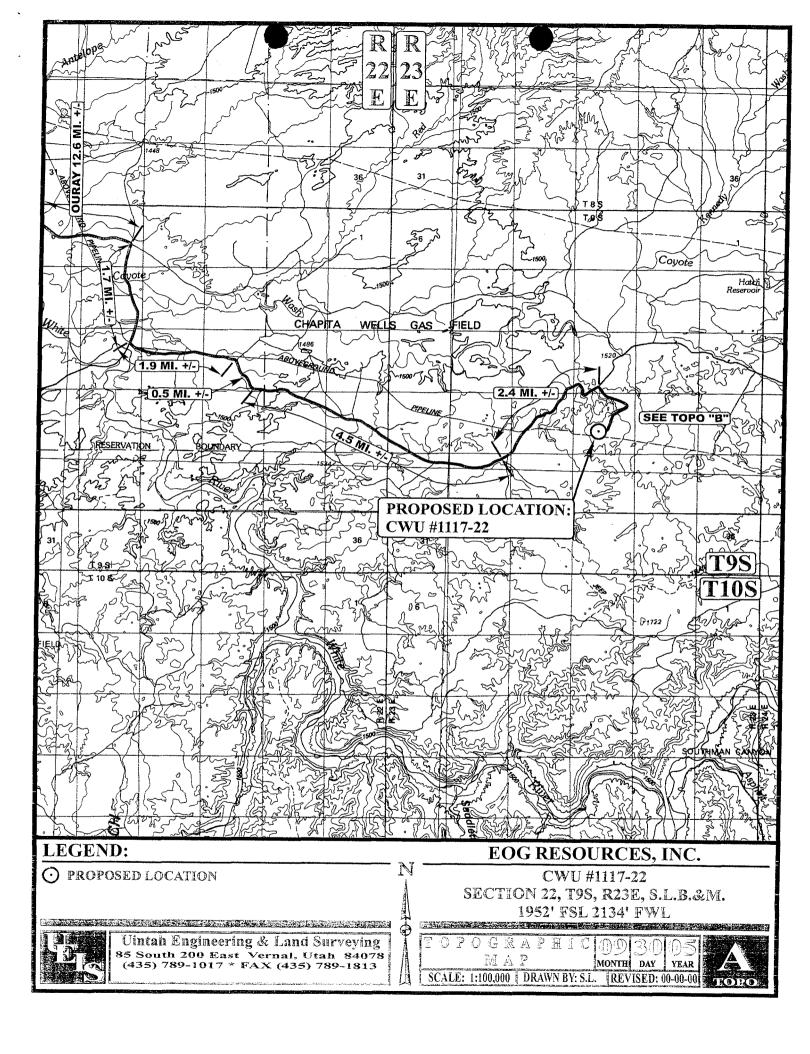
TAKEN BY: T.B. | DRAWN BY: S.L.

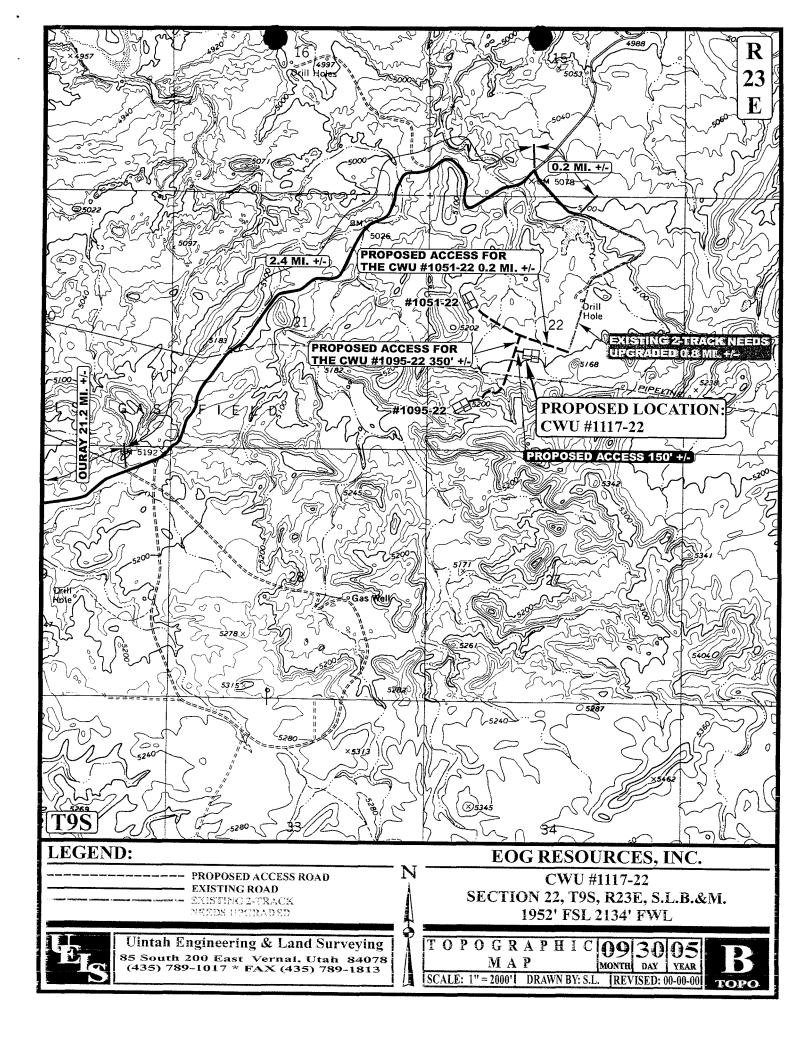
09 30 05 MONTH DAY YEAR REVISED: 00-00-00

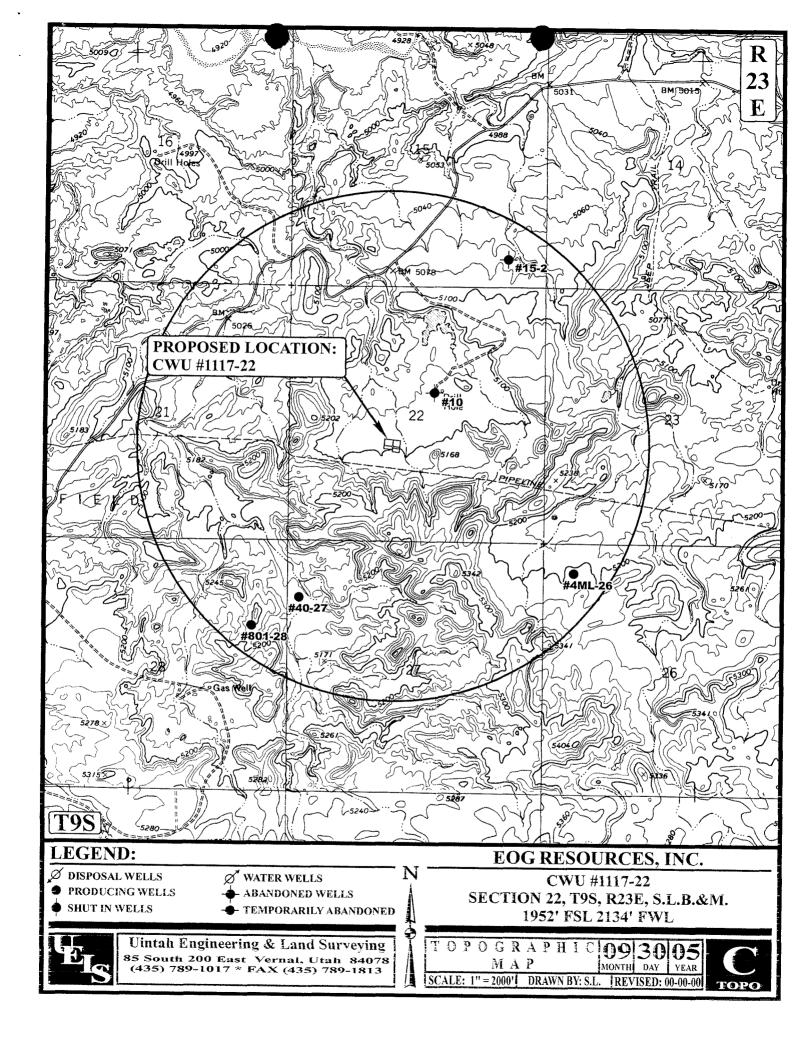
РНОТО

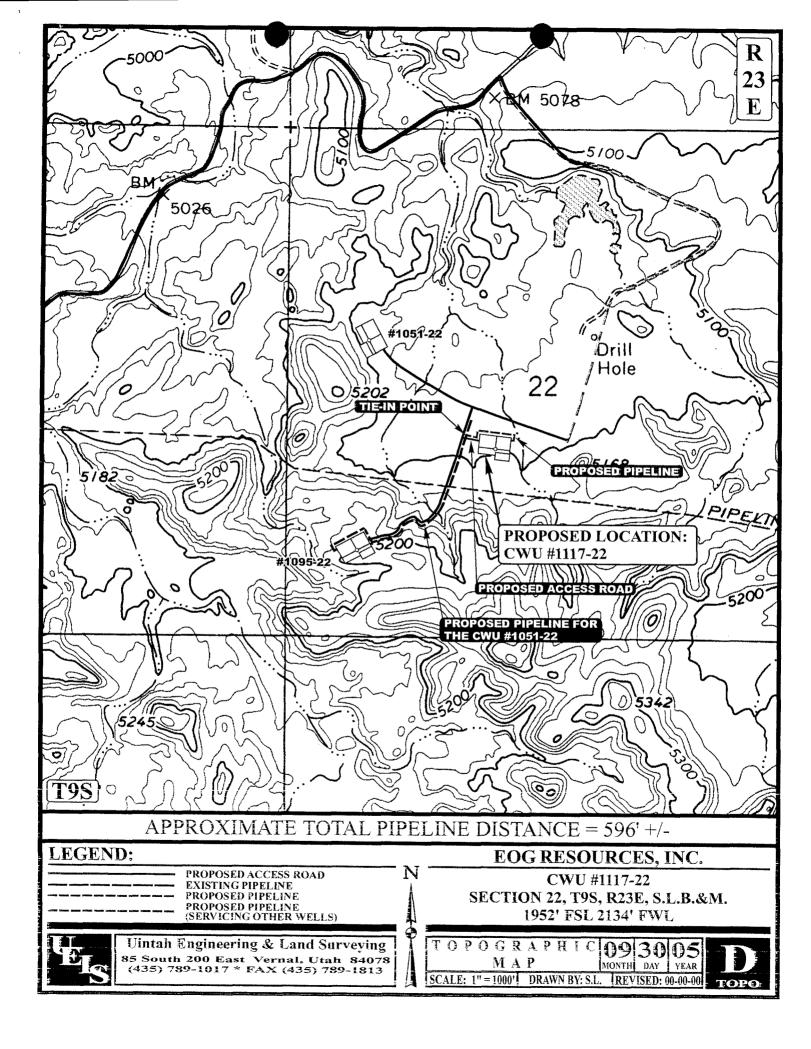




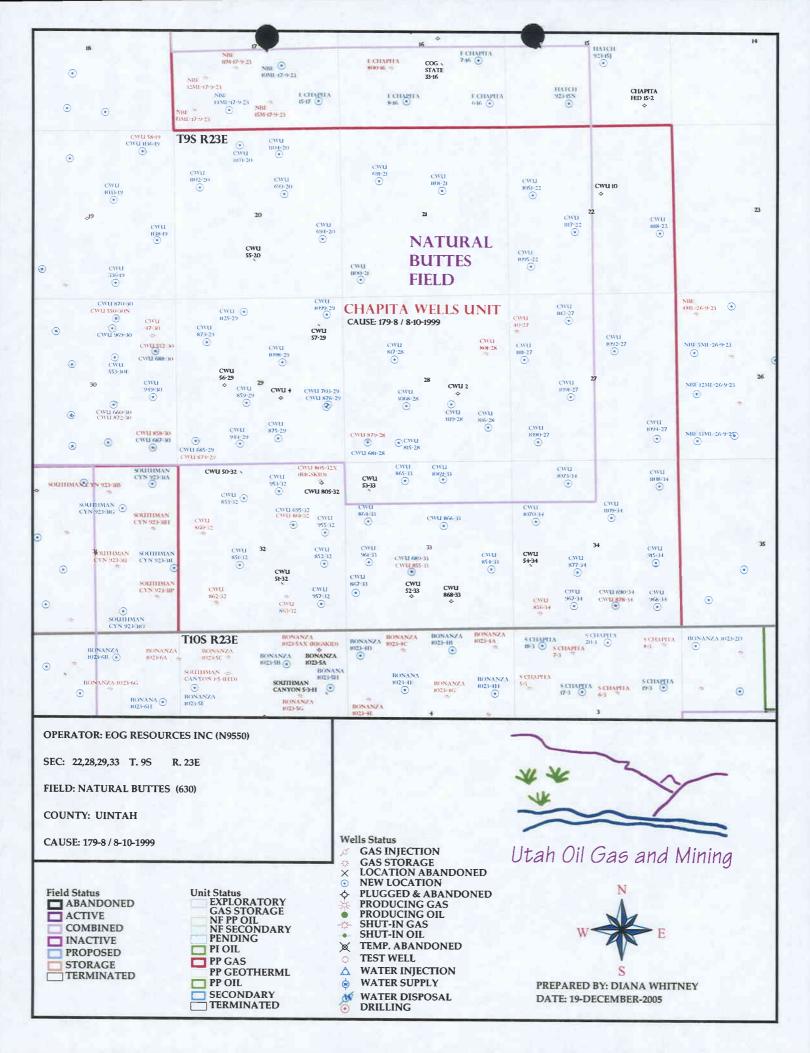








APD RECEIVED: 12/14/2005	API NO. ASSIGNED: 43-047-37496
WELL NAME: CWU 1117-22 OPERATOR: EOG RESOURCES INC (N9550) CONTACT: ED TROTTER	PHONE NUMBER: 435-789-4120
PROPOSED LOCATION: NESW 22 090S 230E SURFACE: 1952 FSL 2134 FWL BOTTOM: 1952 FSL 2134 FWL UINTAH NATURAL BUTTES (630) LEASE TYPE: 1 - Federal LEASE NUMBER: U-01301 SURFACE OWNER: 1 - Federal	INSPECT LOCATN BY: / / Tech Review Initials Date Engineering Geology Surface LATITUDE: 40.01960
PROPOSED FORMATION: PRRV COALBED METHANE WELL? NO	LONGITUDE: -109.3142
Plat Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. NM-2308) Potash (Y/N) N Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 49-1501) RDCC Review (Y/N) (Date:) N Fee Surf Agreement (Y/N) Intent to Commingle (Y/N)	LOCATION AND SITING: R649-2-3. Unit CHAPITA WELLS R649-3-2. General Siting: 460 From Qtr/Qtr & 920' Between Wells R649-3-3. Exception Drilling Unit Board Cause No:
STIPULATIONS: To dence approximations	No.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155

P.O. Box 45155 Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

January 12, 2006

Memorandum

To:

Assistant District Manager Minerals, Vernal District

From:

Michael Coulthard, Petroleum Engineer

Subject:

2005 Plan of Development Chapita Wells Unit Uintah

County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Chapita Wells Unit, Uintah County, Utah.

API#

WELL NAME

LOCATION

(Proposed PZ Green River)

43-047-37493 CWU 3005-6GR Sec 06 T09S R23E 2081 FSL 0473 FWL

(Proposed PZ Wasatch)

43-047-37504 CWU 696-25 Sec 25 T09S R22E 2151 FNL 1963 FEL 43-047-37503 CWU 702-25 Sec 25 T09S R22E 0624 FNL 1954 FWL 43-047-37499 CWU 681-28 Sec 28 T09S R23E 0646 FSL 0754 FWL 43-047-37500 CWU 703-29 Sec 29 T09S R23E 1777 FSL 0540 FEL 43-047-37494 CWU 689-33 Sec 33 T09S R23E 1831 FSL 2061 FWL

(Proposed PZ Price River)

43-047-37495 CWU 1118-22 Sec 22 T09S R23E 1859 FSL 0463 FEL 43-047-37496 CWU 1117-22 Sec 22 T09S R23E 1952 FSL 2134 FWL 43-047-37501 CWU 1082-30 Sec 30 T09S R23E 1050 FNL 0380 FWL 43-047-37497 CWU 1147-18 Sec 18 T09S R23E 0680 FNL 0680 FEL 43-047-37498 CWU 1142-18 Sec 18 T09S R23E 0737 FNL 1928 FWL 43-047-37505 CWU 1076-25 Sec 25 T09S R22E 1687 FSL 2224 FEL 43-047-37502 CWU 1088-22 Sec 22 T09S R22E 2400 FNL 2392 FEL 43-047-37506 CWU 1042-28 Sec 28 T09S R22E 0313 FNL 1172 FEL 43-047-37607 CWU 1040-10 Sec 10 T09S R22E 1150 FSL 1070 FWL 43-047-37606 CWU 833-3 Sec 03 T09S R22E 0808 FSL 2129 FEL 43-047-37608 CWU 1086-22 Sec 22 T09S R22E 0323 FNL 0174 FEL 43-047-37609 CWU 1089-22 Sec 22 T09S R22E 2556 FNL 0939 FEL 43-047-37610 CWU 1084-30 Sec 30 T09S R23E 1580 FNL 0980 FWL

Page 2

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit

Division of Oil Gas and Mining

Central Files Agr. Sec. Chron Fluid Chron

MCoulthard:mc:1-12-06



State of Utah

Department of Natural Resources

> MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

> January 17, 2006 Corrected

EOG Resources, Inc. P O Box 1815 Vernal, UT 84078

Re:

Chapita Wells Unit 1117-22 Well, 1952' FSL, 2134' FWL, NE SW, Sec. 22, T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37496.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc:

Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator: EOG Resources, Inc.					
Well Name & Number	Chapita Wells Unit 1117-22				
API Number:	43-047-37496				
Lease:	U-0130	1			
Location: <u>NE SW</u>	Sec. 22	T. <u>9 South</u>	R. 23 East		

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

Form 3160-3 (April 2004)

> DEC 1 4 200 UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires March 31, 2007

Lease Serial No.

Ù-01301

If Indian, Allottee or Tribe Name

APPLICATION FOR PERMI	IT TO DRILL OR REENTER		
1a. Type of Work: X DRILL [REENTER	7. If Unit or CA Agreem CHAPITA W	
1b. Type of Well: Oil Well X Gas Well Other	Single Zone X Multiple Zone	8. Lease Name and Well CHAPITA WELL	
2. Name of Operator EOG RESOURCES, INC.		9. API Well No.	74916
3a. Address P.O. BOX 1815 VERNAL, UT 84078	3b. Phone No. (Include area code) (435)789-0790	10. Field and Pool, or Expl	•
At surface 1952' FSL, 2134' FWL At proposed prod. Zone		11. Sec., T., R., M., or Blk SEC. 22, T9S, S.L.B.&M	, R23E,
14. Distance in miles and direction from nearest town or post		12. County or Parish	13. State

24.89 MILES SOUTHEAST OF OURAY, UTAH 16. No. of Acres in lease 15. Distance from proposed*

location to nearest 1952 2520 property or lease line, ft. (Also to nearest drig. Unit line, if any)

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C

8815

19. Proposed Depth

20. BLM/BIA Bond No. on file NM-2308

17. Spacing Unit dedicated to this well

22. Approximate date work will start* 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5095.7 FEET GRADED GROUND

UPON APPROVAL

23. Esti mated duration **45 DAYS**

24. Attachments

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification. SUPO shall be filed with the appropriate Forest Service Office).

- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 6. Such other site specific information and/or plans as may be required by the authorized officer.

	•		
25. Signature	Name Winted Gred) Accepted Stanted Gred) Oil, Gas and Mining Oil, DECORD ONLY	RECEIVED	Date November 17, 2005
Title Agent	Oil, Gas and Minney Oil, Gas and Minney FOR RECORD ONLY Name (Printed/Typed)	DEC 01 2006	
Approved by (Signature)	Name (Printed/Typed) PETIN IL SUI	D(11 0)	Date 11-15-2006
Title Assistant Field Menager Lands & Mineral Resource	·	VERNAL FIELD OFFI	CE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval, if any, are attached

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE VERNAL, UT 84078**

(435) 781-4400



Cell: 435-828-4470

Cell: 435-828-7875

Cell: 435-828-3913

Cell: 435-828-4029

170 South 500 East

CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:

EOG Resources

Location:

NESW, Sec 22, T9S, R23E

Well No: API No:

CWU 1117-22 43-047-37496

Lease No:

UTU-01301

Agreement:

Chapita Wells Unit

Office: 435-781-4490

Office: 435-781-4432

Office: 435-781-4502

Office: 435-781-4475

Office: 435-781-4484

Petroleum Engineer:

Petroleum Engineer: Supervisory Petroleum Technician:

Environmental Scientist: Environmental Scientist:

Natural Resource Specialist: Natural Resource Specialist: Natural Resource Specialist: After Hours Contact Number: 435-781-4513

Jamie Sparger Paul Buhler Karl Wright Holly Villa

Matt Baker

Michael Lee

Melissa Hawk Scott Ackerman

Office: 435-781-4404 Office: 435-781-4476

Office: 435-781-4437 Fax: 435-781-4410

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction (Notify Paul Buhler)

Forty-Eight (48) hours prior to construction of location and access roads.

Location Completion (Notify Paul Buhler)

Prior to moving on the drilling rig.

Spud Notice

(Notify Petroleum Engineer)

Twenty-Four (24) hours prior to spudding the well.

Casing String & Cementing (Notify Jamie Sparger)

Twenty-Four (24) hours prior to running casing and cementing all casing strings

BOP & Related Equipment Tests (Notify Jamie Sparger)

Twenty-Four (24) hours prior to initiating pressure tests

First Production Notice (Notify Petroleum Engineer) Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days

Page 2 of 6 Well: CWU 1117-22 11/14/2006

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

Conditions for Approval are in the APD

- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this would include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:
 - o 9 lbs of Hycrest Crested Wheatgrass and 3 lbs of Kochia Prostrata.
- The buried pipeline exception request has been received. It has been determined that the pipeline route has bedrock exposed at the surface. The exception is granted for a surface pipeline.

Page 3 of 6 Well: CWU 1117-22 11/14/2006

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft. above the surface casing shoe. To reach the annulus of the surface casing and production casing, operator is required to pump additional cement beyond the stated amounts of sacks in application.
- A Cement Bond Log (CBL) shall be run from the production casing shoe to the surface casing shoe. A field copy of the CBL shall be submitted to the BLM Vernal Field Office.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded
 in the daily drilling report. Components shall be operated and tested as required by
 Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE
 pressure tests shall be performed by a test pump with a chart recorder and NOT by the
 rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.

Page 4 of 6 Well: CWU 1117-22 11/14/2006

- All shows of fresh water and minerals shall be reported and protected. A sample shall
 be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office.
 All oil and gas shows shall be adequately tested for commercial possibilities, reported,
 and protected.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the
 written report requirement. Any additional construction, reconstruction, or alterations of
 facilities, including roads, gathering lines, batteries, etc., which will result in the
 disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore
 Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field
 Office.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report
 of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in
 which operations commence and continue each month until the well is physically
 plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals
 Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.

Page 5 of 6 Well: CWU 1117-22 11/14/2006

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office
 Petroleum Engineers will be provided with a date and time for the initial meter calibration
 and all future meter proving schedules. A copy of the meter calibration reports shall be
 submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the
 API standards for liquid hydrocarbons and the AGA standards for natural gas
 measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, shall the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - o Well name and number.
 - o Well location (1/41/4, Sec., Twn, Rng, and P.M.).
 - O Date well was placed in a producing status (date of first production for which royalty will be paid).
 - o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located;
 otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - o Unit agreement and / or participating area name and number, if applicable.
 - o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL)
 4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days.
 "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the

Page 6 of 6 Well: CWU 1117-22 11/14/2006

end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

• Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OU. CAS AND MINING

DEPARTMENT OF NATURAL F DIVISION OF OIL, GAS A	5. LEASE DESIGNATION AND SERIAL NUMBER:				
SUNDRY NOTICES AND REP	OPTS ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
Do not use this form for proposals to drill new wells, significantly deepen existing wells drill horizontal laterals. Use APPLICATION FOR PERMIT 1	7. UNIT OF CA AGREEMENT NAME: Chapita Wells Unit				
1. TYPE OF WELL OIL WELL GAS WELL O	THER	8. WELL NAME and NUMBER: Chapita Wells Unit 1117-22			
2. NAME OF OPERATOR:		9. API NUMBER:			
EOG RESOURCES, INC. 3. ADDRESS OF OPERATOR:	PHONE NUMBER:	43-047-37496 10. FIELD AND POOL, OR WILDCAT:			
1060 East Highway 40 CITY VERNAL STATE U	■	NATURAL BUTTES			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1952 FSL 2134 FWL 40.019553	LAT 109.314892 LON	COUNTY: UINTAH			
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 22 9	OS 23E S.L.B. & M	STATE: UTAH			
11. CHECK APPROPRIATE BOXES TO IN	DICATE NATURE OF NOTICE, REPO	RT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION				
✓ NOTICE OF INTENT	DEEPEN	REPERFORATE CURRENT FORMATION			
(Submit in Duplicate) ALTER CASING	FRACTURE TREAT	SIDETRACK TO REPAIR WELL			
Approximate date work will start: CASING REPAIR	NEW CONSTRUCTION	TEMPORARILY ABANDON			
CHANGE TO PREVIOUS PLANS	OPERATOR CHANGE	TUBING REPAIR			
CHANGE TUBING	PLUG AND ABANDON	VENT OR FLARE			
SUBSEQUENT REPORT (Submit Original Form Only) CHANGE WELL NAME	PLUG BACK	WATER DISPOSAL			
Date of work completion:	PRODUCTION (START/RESUME)	WATER SHUT-OFF			
COMMINGLE PRODUCING FORM	MATIONS RECLAMATION OF WELL SITE	OTHER: APD Extension			
CONVERT WELL TYPE	RECOMPLETE - DIFFERENT FORMATION	Request			
DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year. Approved by the Utah Division of Oil, Gas and Mining Date: Da					
NAME (PLEASE PRINT) Kaylene R. Gardner SIGNATURE	TITLE Sr. Regulatory As	ssistant			
(This space for State use only)					

RECEIVED
DEC 2 1 2006

Application for Permit to Drill Request for Permit Extension Validation

Validation
(this form should accompany the Sundry Notice requesting permit extension)

	43-047-37496		
	Chapita Wells Unit		45 64 5 64 6
		L (NESW), Section 22, T9S, R2	3E S.L.B.&M
	mit issued to: Permit Issued:	EOG RESOURCES, INC.	
Date Original	rennit issued.	1/1//2000	
above, hereby	verifies that the	n legal rights to drill on the information as submitted mains valid and does not	in the previously
Following is a coverified.	checklist of some	e items related to the app	olication, which should be
	rivate land, has t en updated? Yes	he ownership changed, i i □ No □	f so, has the surface
		the vicinity of the proposents for this location? Yes	ed well which would affect □ No ☑
	_	er agreements put in plac proposed well? Yes⊡No	
		to the access route includer proposed location? Yes⊑	
Has the approv	ed source of wa	ater for drilling changed?	Yes□No☑
	ire a change in p	changes to the surface lo plans from what was disc	
ls bonding still ン	in place, which o	covers this proposed wel	l? Yes ☑No □
	\supset		12/20/2007
Jalua Al	Janley		12/20/2006
Signature \			Date
Title: Sr. Regula	atory Assistant		
Representing:	EOG RESOURCE	ES, INC.	DEC

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG Resources, Inc	
Well Name: <u>CWU 1117-22</u>	
API No: 43-047-37496 Lease Type: <u>Federal</u>	
Section 22 Township 09S Range 23E County Uintah	
Drilling Contractor Craig's Roustabout Services Rig # Bucket	
SPUDDED:	
Date <u>6-9-07</u>	
Time	
How_Dry	
Drilling will Commence:	
Reported by Jerry Barnes	
Telephone #_435-828-1720	<u></u>
Date 6-14-07Signed RM	

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JUN 1 8 2007

DIV. OF OIL, GAS & MINING

FORM 6

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator:

EOG Resources, Inc.

Operator Account Number: N 9550

Address:

600 17th Street, Suite 1000N

city Denver

state CO

zip 80202

Phone Number: _(303) 262-2812

Well 1

API Number	Well	Name	QQ	QQ Sec Twp		Rng County	
43-047-37046	CHAPITA WELLS UN	NIT 1094-27	1-27 SESE 27 9S		23E UINTAH		
Action Code	Current Entity Number	New Entity Number	S	Spud Date		Entity Assignment Effective Date	
Α	99999	16194		6/7/200	7	6	121/07
Comments:	0.0.0.1	^					

PRRU= MURD

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37496	CHAPITA WELLS UNIT 1117-22		NESW	22	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
А	99999	16195		6/9/200	7	(6/21/07
Comments: PRRV = MVRD —							

Well 3

API Number	Well I	Well NameQQSecCHAPITA WELLS UNIT 1090-27SWSW27		Sec	Twp	Rng	County
43-047-37048	CHAPITA WELLS UN			27	7 9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Α	99999	16196	ϵ	6/11/200	7	6	/21/07
Comments:	PRRV =m	VRD					

ACTION CODES:

- A Establish new entity for new well (single well only)
- **B** Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

Ca	rria	Mac	יח	hler
1,74	rrie:	MAG	:1)()1	12111

Signature **Operations Clerk**

6/12/2007

Title

Date

Form 3160-5 (February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007

 Lease Serial No. U-01301

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE- Other instructions on reverse side.					CA/Agreement, Name and/or No. Wells Unit	
1. Type of Well					ne and No.	
2. Name of Operator EOG Resources, Inc.					Wells Unit 1117-22	
3a. Address		3b. Phone No. (include	area code)	43-047-		
600 17th Street, Suite 1000N, D	enver, CO 80202	303-262-2812		10. Field and Pool, or Exploratory Area		
4. Location of Well (Footage, Sec.,	T., R., M., or Survey Description)			Natural	Buttes/Mesaverde	
1,952' FSL & 2,134' FWL (NESW) Sec. 22-T9S-R23E 40.019553 LAT 109.314892 LON			11. County or Parish, State Uintah County, Utah			
12. CHECK AF	PPROPRIATE BOX(ES) TO	INDICATE NATUR	E OF NOTICE, RI	EPORT, OR	OTHER DATA	
TYPE OF SUBMISSION		TYF	E OF ACTION			
Notice of Intent ✓ Subsequent Report ☐ Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Production (Statement of Statement of Statem	ŕ	Water Shut-Off Well Integrity Other Well spud	
13. Describe Proposed or Complete	ed Operation (clearly state all perti-	nent details, including estir	nated starting date of an	y proposed woi	k and approximate duration thereof.	

If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well spud on 6/9/2007.

RECEIVED
JUN 1 8 2007

DIV. OF OIL, GAS & MINING

		·				
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)						
Carrie MacDonald	Title	Operations Clerk				
Signature (m)	Date	06/12/2007				
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved by		Title	Date			
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.						
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any States any false fictitious or fraudulent statements or representations as to any matter	person within	knowingly and willfully to make to a	ny department or agency of the United			

Form 3160-5 (February 2005)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM	APPROVED
OMBN	lo. 1004-0137
Expires:	March 31, 200

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

6. If Indian, Allottee or Tribe Name

 Lease Serial No. U-01301

abandoned we	en. Ose Form 3160-3 (/	APD) IOI SUCII PIO	розаіз.			
SUBMIT IN TRIPLICATE- Other instructions on reverse side.					CA/Agreement, Name and/or No.	
1. Type of Well				8. Well Name and No. Chapita Wells Unit 1117-22		
2. Name of Operator EOG Resources, Inc.					No.	
3a. Address 3b. Phone No. (include area code) 600 17th Street, Suite 1000N, Denver, CO 80202 303-262-2812			43-047-37496 10. Field and Pool, or Exploratory Area			
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1,952' FSL & 2,134' FWL (NESW) Sec. 22-T9S-R23E 40.019553 LAT 109.314892 LON			Natural Buttes/Mesaverde 11. County or Parish, State Uintah County, Utah			
12. CHECK AI	PPROPRIATE BOX(ES) TO	INDICATE NATUR	E OF NOTICE, R	EPORT, OR	OTHER DATA	
TYPE OF SUBMISSION		TYP	E OF ACTION			
✓ Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Production (Stan Reclamation Recomplete Temporarily Ab	· [Water Shut-Off Well Integrity Other	
13. Describe Proposed or Complete	ed Operation (clearly state all pertin					

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

- 1. Natural Buttes Unit 21-20B SWD
- 2. Chapita Wells Unit 550-30N SWD
- 3. Ace Disposal
- 4. RN Industries

Accepted by the Utsh Division of Oil, Gas and Mining

FUR HECORD ONLY

RECEIVED
JUN 1 8 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)						
Carrie MacDonald Tit	le Opera	tions Clerk				
Signature Da	ıte	06/12/2007				
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						
Approved by	Title		Date			
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.						
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any pers States any false, fictitious or fraudulent statements or representations as to any matter with	son knowin hin its juris	gly and willfully to make to a sdiction.	any department or agency of the United			

Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED)
OMB No. 1004-013	,
Expires: July 31, 201	

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an
bandoned well. Use Form 3160-3 (APD) for such proposals

5. Lease Serial No. U-013016. If Indian, Allottee or Tribe Name

abanaonea nom		. 2, 101 oud!! pro	<i>p</i> 00010.	<u> </u>	
	T IN TRIPLICATE – Other	7. If Unit of CA/Agree Chapita Wells Unit	ement, Name and/or No.		
1. Type of Well Oil Well Gas V	/ell			8. Well Name and No. Chapita Wells Unit 1	
2. Name of Operator EOG Resources, Inc.			A APPLICATION OF THE PROPERTY	9. API Well No. 43-047-37496	
3a. Address 600 17th Street, Suite 1000N Denver, CO 80202		10. Field and Pool or I Natural Buttes/Mesa	' '		
4. Location of Well (Footage, Sec., T., 1952' FSL & 2134' FWL (NESW) Sec. 22-T9S-R23E 40.019553 LAT 109.31489	R.,M., or Survey Description 2 LON	11. Country or Parish, Uintah County, Utah			
12. CHEC	K THE APPROPRIATE BO	E, REPORT OR OTH	ER DATA		
TYPE OF SUBMISSION			TYPE OF ACT	ION	
Notice of Intent	Acidize Alter Casing	Deepen Fracture Treat		uction (Start Resume)	Water Shut-Off Well Integrity
✓ Subsequent Report	Casing Repair	New Construc		mplete	Other
Final Abandonment Notice	Change Plans Convert to Injection	Plug and Aba Plug Back		porarily Abandon er Disposal	
testing has been completed. Final determined that the site is ready for the referenced well was turned to so on the subject well.					
Name (Printed/Typed) Mary A. Maestas	the and correct.	Title	Regulatory Assistar	nt	
Signature Mary (2. Marja	Date	08/17/2007		
J	THIS SPACE	FOR FEDERAL	OR STATE OF	FICE USE	
Approved by			itle	-	Date
Conditions of approval, if any, are attached that the applicant holds legal or equitable tentitle the applicant to conduct operations	itle to those rights in the subjetthereon.	s not warrant or certify ct lease which would	Office		
Title 18 U.S.C. Section 1001 and Title 43 fictitious or fraudulent statements or representations.	U.S.C. Section 1212, make it assentations as to any matter wi	a crime for any person kno thin its jurisdiction.	owingly and willfully to	o make to any departmen	t or agent to the thirty trafe any false,
(Instructions on page 2)					AUG 0 0 000

WELL CHRONOLOGY REPORT

Report Generated On: 08-17-2007

Well Name	CWU 1117-22	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-37496	Well Class	COMP
County, State	UINTAH, UT	Spud Date	07-12-2007	Class Date	
Tax Credit	N	TVD / MD	8.815/ 8.815	Property #	057818
Water Depth	()	Last CSG	2.375	Shoe TVD / MD	0/ 0
KB / GL Elev	5,109/ 5,096				
Location	Section 22, T9S, R23E,	NESW, 1952 FSL & 213	34 FWL		

DRILL & COMPLETE

Operator	EOG	G RESOURC	ES. INC	WI %	50.	0		NRI %		42.25	
AFE No		303669		AFE Total		1,762,800		DHC/	CWC	838,7	00/ 924,100
Rig Contr	TRU	E	Rig Name	TRUE #	26	Start Date	01-	-12-2006	Release	Date	07-20-2007
01-12-2006	Re	ported By									
DailyCosts: Da	rilling	\$0		Com	pletion	\$0		Dail	y Total	\$0	
Cum Costs: D	rilling	\$0		Com	pletion	\$0		Wel	l Total	\$0	
MD	0	TVD	0	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation:			PBTD : 0.8	0		Perf:			PKR De	e pth : 0.0)

Activity at Report Time: LOCATION DATA

1.0

Event No

Start End Hrs Activity Description 06:00 06:00 24.0 LOCATION DATA

1952' FSL & 2134' FWL (NE/SW)

SECTION 22, T9S, R23E UINTAH COUNTY, UTAH

LAT 40.019586, LONG 109.314214 (NAD 27) LAT 40.019553, LONG 109.314892 (NAD 83)

Description

TRUE #26

OBJECTIVE: 8815' TD, MESAVERDE

DW/GAS

CHAPITA WELLS DEEP PROSPECT

DD&A: CHAPITA DEEP NATURAL BUTTES FIELD

LEASE: U-01301

 $\texttt{ELEVATION:}\ 5096.9'\ \mathsf{NAT}\ \mathsf{GL},\ 5095.7'\ \mathsf{PREP}\ \mathsf{GL}\ (\mathsf{DUE}\ \mathsf{TO}\ \mathsf{ROUNDING}\ 5096'\ \mathsf{IS}\ \mathsf{THE}\ \mathsf{PREP}\ \mathsf{GL}),\ 5109'\ \mathsf{KB}\ (13')$

EOG WI 50%, NRI 42.25%

06-04-2007 Reported By

TERRY CSERE

DailyCosts: Drilling	\$38,000	Completion	\$0		Daily Total	\$38,000
Cum Costs: Drilling	\$38,000	Completion	80		Well Total	\$38,000
MD 0	TVD 0	Progress 0	Days	()	MW θ.0	Visc 0.0
Formation :	PBTD :	0.0	Perf:		PKR De	pth : 0.0
Activity at Report Ti	me: BUILD LOCATIO	N				
Start End	Hrs Activity De	scription				
06:00 06:00	24.0 CONSTRUC	TION OF LOCATION WIL	L BEGIN TO	DAY, 6/4/07.		
06-05-2007 Re	ported By	TERRY CSERE				
DailyCosts: Drilling	\$38,000	Completion	\$0		Daily Total	\$38,000
Cum Costs: Drilling	\$38,000	Completion	\$0		Well Total	\$38,000
MD 0	TVD 0	Progress 0	Days	0	MW 0.0	Visc 0.0
Formation:	PBTD :	0.0	Perf:		PKR De	pth: 0.0
Activity at Report Ti	me: BUILD LOCATIO	N				
Start End	Hrs Activity De	scription				
06:00 06:00	24.0 LOCATION	30% COMPLETE.				
06-06-2007 Re	eported By	TERRY CSERE				
DailyCosts: Drilling	\$0	Completion	\$0		Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0		Well Total	\$38,000
MD 0	TVD 0	Progress 0	Days	0	MW 0.0	Visc 0.0
Formation :	PBTD :		Perf:		PKR De	pth: 0.0
Activity at Report Ti	me: BUILD LOCATIO	N				
Start End	Hrs Activity De	•				
06:00 06:00	24.0 LOCATION					
	F J	TERRY CSERE				
DailyCosts: Drilling	\$0	Completion	\$0		Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0		Well Total	\$38,000
MD 0	TVD 0	Progress 0	Days	0	MW 0.0	Visc 0.0
Formation :	PBTD:		Perf :		PKR De	pth: 0.0
Activity at Report Ti						
Start End 06:00 06:00	Hrs Activity De 24.0 PUSHING O	-				
		TERRY CSERE				
DailyCosts: Drilling	\$0		0.2		D " T ()	ro.
Cum Costs: Drilling	\$38,000	Completion Completion	\$0 \$0		Daily Total Well Total	\$0 \$38,000
MD 0	TVD 0	-		0		
Formation:	PBTD:	· · · ·	Days Perf :	0	MW 0.0	Visc 0.0
Activity at Report Ti					PKR De	pm : 0.0
Start End	Hrs Activity De					
06:00 06:00	24.0 LINE TODA	•				
06-11-2007 Re	ported By	TERRY CSERE				

Property: 057818

DailyCosts: Drilling 80			Com	pletion	\$0		Daily	S 0			
Cum Costs: Drilling		\$38,0	00	Com	pletion	\$0		Well T	fotal	\$38,000	
MD	40	TVD	40	Progress	0	Days	0	MW	0.0	Vise	0.0
Formation :			PBTD:	0.0		Perf:			PKR De _l	oth: 0.0	

Activity at Report Time: BUILD LOCATION/WORT

Start End Hrs Activity Description

06:00 06:00 24.0 LOCATION COMPLETE. CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 6/9/2007 @ 7:00 AM. SET 40'

OF 14" CONDUCTOR, CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS

W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 6/9/2007 @ 6:00 AM.

06-25-2007	7 Re	ported By	T	ERRY CSERE							
DailyCosts:	Drilling	\$20	7,686	Com	pletion	\$0		Daily	Total	\$207,686	
Cum Costs:	Drilling	\$24	5,686	Com	pletion	\$0		Well 7	Fotal	\$245,686	
MD	2,455	TVD	2,455	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation: PBT		PBTD : 0	0.0		Perf:			PKR Dep	pth: 0.0		

Activity at Report Time: WORT

Start End Hrs Activity Description

FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2455' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.

MIRU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 180 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 320 SX (65 BBLS) OF PREMIUM CEMENT W/ 2% CACL2 & ½ #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/ YIELD OF 1.15 CF/SX.

DISPLACED CEMENT W/ 183 BBLS FRESH WATER. BUMPED PLUG W/ 900# @ 1:48 PM, 6/15/2007. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (30 BBLS) OF THIX-O-TROPIC CEMENT W/ 2% CaCl2, 10%GYPSUM, 10 #/SX GILSONITE, ½#/ SX FLOCELE, & 1 #/ SX GR-3. MIXED CEMENT @ 13.8 PPG W/ YIELD OF 1.70 CF/SX. NO RETURNS. WOC 1 HR 40 MINUTES.

TOP JOB # 2: MIXED & PUMPED 100 SX (30 BBLS) OF THIX-O-TROPIC CEMENT W/ 2% CaCl2, 10% GYPSUM, 10 #/SX GILSONITE, 1/4#/ SX FLOCELE, & 1 #/ SX GR-3. MIXED CEMENT @ 13.8 PPG W/ YIELD OF 1.70 CF/SX. NO RETURNS.

WOC 8 MINUTES.

TOP JOB # 3: MIXED & PUMPED 130 SX (26.6 BBLS) OF PREMIUM CEMENT W/ 4% CACL2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/ YIELD OF 1.15 CF/SX. NO RETURNS. WOC 1 HR 45 MINUTES.

TOP JOB # 4: MIXED & PUMPED 225 SX (46 BBLS) OF PREMIUM CEMENT W/ 4% CACL2 & ¼#/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/ YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS.

TOP JOB # 5: MIXED & PUMPED 200 SX (40.9 BBLS) OF PREMIUM CEMENT W/ 4% CACL2 & ¼#/ SX FLOCELE. HOLE FILLED & CIRCULATED APPROXIMATELY 3 BBLS CEMENT TO PIT. HOLE STOOD FULL WHEN PUMPING STOPPED. RDMO BIG 4 CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

D --- -- -- -- -- -- 1 D--

NO SURVEY AT THIS TIME.

DENIND DE ACRUCELE

KYLAN COOK NOTIFIED JAMIE SPARGER W/ BLM OF THE SURFACE CASING & CEMENT JOB ON 6/13/2007 @ 4:45 PM.

07-11-20	107 K	eported By	В	ENNY BLACK	WELL						
DailyCost	ts: Drilling	\$37	,275	Con	npletion	\$0		Daily	Total	\$37,275	
Cum Cos	ts: Drilling	\$28	2,961	Con	npletio n	\$0		Well	Fotal	\$282,961	
MD	2,455	TVD	2,455	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation: PBT			PBTD : 0	0.0		Perf:			PKR Dep	oth: 0.0	
Activity a	t Report Ti	me: TESTI	NG BOPE								
Start	End	Hrs A	activity Desc	ription							
06:00	00:30			– BEGIN RIG N ORKING ON C							
00:30	06:00	5.5 R	IG ON DAY I	RATE @ 00:30 I	HRS 11 JU	LY 2007.					

TEST BOPS PIPE RAMS, BLIND RAMS, KILL LINE AND VALVES, CHOKE LINES AND MANIFOLD ,FLOOR VALVES, UPPER AND LOWER KELLY COCK, TO 5000 PSI FOR 10 MIN. TEST ANNULAR TO 2500 PSI FOR 10 MIN, FUNCTION TEST ACCUMULATOR PUMPED UP 48 SEC, PRE CHARGE 1000 PSI.

SAFETY MEETINGS: DAYS - RIG UP, EVENINGS - P/UD DERRICK., MORN. - MOVE RIG.

WEATHER IS CLEAR & TEMP IS 55 DEG.

FULL CREWS & NO ACCIDENTS.

CHECKED COM OK.

FUEL REC: 0 GAL.

FUEL ON HAND 2393 GAL.

FUEL USED: 75 GAL.

MUD LOGGER:

BG GAS: U.

PEAK GAS: 4058 U.

TRIP GAS:.N/A U.

CONN GAS: N/A U.

MUDWT PPG, VIS.

FORMATION - .

TRANSFERED 2468 GALS DIESEL AND 124.80 (3 JTS) 4 1/2" CSG F/ CWU 1090-27 TO CWU 1117-22.

ACCEPT RIG @ 00:30 HRS 11 JULY 2007.

MILAGE TO NEW LOCATION - 6.7MILES.

07-12-20	107 R	eported l	By T	OM HARKINS							
DailyCost	ts: Drilling	\$	41,886	Con	npletion	\$0		Daily	Total	\$41,886	
Cum Cos	ts: Drilling	\$	324,847	Con	npletion	\$0		Well 7	Total	\$324,847	
MD	2,907	TVD	2,907	Progress	568	Days	i	$\mathbf{M}\mathbf{W}$	8.4	Visc	27.0
Formation: PBTD			PBTD : 0	0.0		Perf:			PKR De	pth: 0.0	
Activity a	t Report T	ime: DRI	LLING								
Start	End	Hrs	Activity Desc	cription							
06:00	09:00	3.0	TEST BOPS I	BLINDS , PIPE	, AND ALL	VALVES AN	D CHOKE	MANIFOLD (@ 5000PSI T	EST ANNULA	R @ 2500

09:00	09:30	0.5 OTHER INSPECT RIG CHECK CROWN O MATIC
09:30	10:00	0.5 SERVICE RIG
10:00	10:30	0.5 INSTALL WEAR BUSHING
10:30	11:30	1.0 P/U BHA WITH RIG EQUIPTMENT
11:30	12:30	1.0 SAFTY MEETING AND R/U WEATHERFORD PICK MACHINE
12:30	13:00	0.5 P/U BHA
13:00	14:00	I.0 P/U DP
14:00	14:30	0.5 R/D WEATHERFORD
14:30	15:00	0.5 INSTALL ROT. HAED
15:00	16:30	1.5 WASH DOWN TAG @ 2310 (AIR OUT PUMPS)
16:30	21:30	5.0 HELP WELDERS FINISH PLUMBING ON CHOKE MANIFOLD
21:30	22:30	1.0 INSTALL VENT LINES AND PREP TO DRILL OUT
22:30	00:00	1.5 DRILL CEMENT/FLOAT EQUIP. 2310 to 2420
00:00	00:30	0.5 CIRC AND SPOT HIGH VIS PILL
00:30	01:00	0.5 PREFORM FIT @ 2400 WITH 663psi EMW 13.6
01:00	01:30	0.5 DRILL 2420 TO 2463 = 43 @ 86 FPH 10–15 WTOB RPM 35 GPM 418.
01:30	02:00	0.5 SURVEY WLS @ 2388 1.25deg
02:00	06:00	4.0 DRILL 2463 TO 2907 = 444 @ 111 FPH WTOB 12-19 RPM 50-60 GPM 418 MMRPM 66 MW 8.9 VIS 32
		CREWS FULL, SAFTY MEETING P/U BHA, HOUSE KEEPING, BOP DRILL 88 SEC
		CHECK COM X2 , FUEL ON HAND 1946 USED 448
		FORMATION TOP GREEN RIVER @ 1544 BG GAS 400u HIGH GAS 6841u LITHOLOGY 20% SAND 20% SHALE 10% SILTSTONE 50% LIMESTONE

06:00 18.0 SPUD 7 7/8" HOLE AT 01:00 HRS, 7/12/07.

07-13-2007	Re	ported By	TC	OM HARKINS							
DailyCosts:	Drilling	\$95,	375	Con	npletion	\$0		Daily	Total	\$95,375	
Cum Costs: Drilling		\$420),222	Cor	npletio n	\$0		Well 7	Total	\$420,222	
MD	4,962	TVD	4,962	Progress	2,055	Days	2	MW	8.8	Visc	31.0
Formation .			PRTD · 0	0		Perf ·			PKR Der	oth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs Activity Description
06:00	11:00	5.0 DRILL 2907 TO 3474 = 567 @ 113.4 FPH WTOB 12-19 RPM 50-60 GPM 418 MMRPM 67
11:00	11:30	0.5 SERVICE RIG CHECK COM
11:30	12:00	0.5 WLS @ 3399 4.25deg
12:00	14:00	2.0 DRILL 3474 TO 3696 = 222 @ 111 FPH RPM 65 WTOB 10-15 GPM 418 MMRPM 67
14:00	14:30	0.5 WLS @ 3620 3deg
14:30	06:00	15.5 DRILL 3696 TO 4962 = 1266 @ 81.6 FPH WTOB 15-20 RPM 50-60 GPM 418 MMRPM 66 MW 9.6 VIS 35
		CREWS FULL .NO ACCIDENTS REPORTED , SAFTY MEETINGS , MAKE CONN , CHECK COM
		COM CHECK X 3, FUEL ON HAND 5311 USED 1136,
	,	FORMATION TOPS , WASATCH @ 4430 , BG GAS 60–80u , CONN GAS 4500 u (NEAR TOP GREEN RIVER) HIGH GAS 4500u
		LITHOLOGY : SAND 20% SHALE 20% SILTSTONE 10 % LIMESTONE 50 %

07-14-2007	Reported By	TOM HARKINS				
DailyCosts: Drilli	ing \$35.083	Completion	\$0	Daily Total	\$35,083	
Cum Costs: Drill	ing \$455,306	Completion	\$0	Well Total	\$455,306	

MD	6,030	TVD 6	.030 Progress	1,068	Days	.3	MW	9.8	Visc	33.0
Formatio	n:	PB'	FD : 0.0		Perf :			PKR Der	oth: 0.0	
Activity a	t Report Tii	ne: DRILLING						•		
Start	End	Hrs Activity	y Description							
06:00	12:30	·	1962 TO 5278 = 316 @	9 48.6 WTO	B 15-20 RPN	4 50 -60 GPM	1 418 MMR	RPM 66		
12:30	13:00	0.5 SERVIC	E RIG CHECK COM	I						
13:00	06:00	17.0 DRILL S	5278 TO 6030 = 752 G	@ 44.23 FPF	I WTOB 15-	20 RPM 50-6	5 GPM408	MMRPM65 M	W 10.0 VIS 35	;
		CREWS	FULL . NO ACCIDE	NTS REPO	RTED , SAFI	ETY MEETIN	G ,PAINT (CHIPPING,		
		CHECK	COM							
		FUEL O	N HAND 4039 USEI) 1272 . COI	м снескег	O X 3				
		FORMA	TION TOPS WASAT	CH 4430 , B	G GAS 30 -	90u HIGH GA	AS 5385u @	5520		
		LITHOL	OGY SAND 25% SE	IALE 40 % :	SILTSTONE	15% LIMEST	ONE 20%			
07-15-20	07 Re	ported By	TOM HARKINS	3						
DailyCost	s: Drilling	\$36,419	Co	mpletion	\$0		Dail	y Total	\$36,419	
Cum Cos	ts: Drilling	\$490,075	Co	mpletion	\$0		Wel	l Total	\$490,075	
MD	6,520	TVD	0,520 Progress	500	Days	4	MW	10.2	Visc	36.0
Formatio	n:	PB	ГD: 0.0		Perf:			PKR Del	oth: 0.0	
Activity a	t Report Ti	me: DRILLING								
Start	End	Hrs Activity	y Description							
06:00	10:30	4.5 DRILL	6030 TO 6196 =166	@ 36.7 FPH	WTOB 15-2	0 RPM 50-60	GPM 407 I	MMRPM 65		
10:30	11:00	0.5 SERVIC	E RIG CHECK COM	Ī						
11:00	13:30	2.5 DRILL 6	5196 TO 6267 = 71 @	28.4 WTOE	3 16-20 RPM	I 50 GPM 404	MMRPM	54		
		COULD	NO GET PROPER D	DIFF ATTEM	IPED TO UN	BALL BIT N	O AFFECT	•		
13:30	14:30		ATE FOR TRIP OUT				OROP SURV	/EΥ		
14:30	17:30		OH L/D RMR , MTR		SURVEY 3d	leg @ 6184				
17:30	20:00		R M/U BIT TIH NO							
20:00	20:30		REAM 6214 TO 6267		WTOD 12	10 DD1 45 5	CDM 4444		****	
20:30	06:00		5267 TO 6520 = 263 (FULL , NO ACCIDE							-
		CROWN	O MATIC, FUEL C	ON HAND 30	67 USED 97	2, CHECK C	ROWN O	MATIC X 3	KIPPING PIPI	E,CHECK
		BG GAS	540 – 71 u HIGH G	AS 3891u T	RIP GAS 332	21u FORMAT	ION TOP N	ORTH HORN	6310'	
		LITHOL	OGY SAND 25% SE	IALE 40% S	ILTSTONE	15% LIMEST	ONE 20%			
07-16-20	007 Re	ported By	TOM HARKINS	3						
DailyCost	ts: Drilling	\$42,208	Co	mpletion	\$0		Dail	y Totai	\$42,208	
Cum Cos	ts: Drilling	\$532,284	Co	mpletion	\$0		Wel	l Total	\$532,284	
MD	7,130	TVD	7.130 Progress	610	Days	5	MW	10.2	Visc	34.0
Formatio	n:	PB	TD : 0.0		Perf:			PKR Der	oth: 0.0	
Activity a	t Report Ti	me: DRILLING								
Start	End	Hrs Activity	y Description							
06:00	13:30	7.5 DRILL	6520 TO 6688 = 168	@ 24 FPH V	VTOB 10-20	RPM 45-55	GPM 420 M	IMRPM 67		
13:30	14:00	0.5 SERVIC	E RIG CHECK COM	I						
14:00	06:00	16.0 DRILL	6688 TO 7130 = 442	@ 27.6 FPH	WTOB 10-2	0 RPM 45-60	GPM 420 I	MMRPM 67 M	W 10.2 VIS 35	j
		CREWS	FULL NO ACCIDEN	NTS REPOR	TED, SAFE	TY MEETING	G, FORK L	IFT OPS, CH	ECK COM X3	

FUEL ON HAND 1945 USED 1122

BG GAS 97 – 294u HIGH GAS 4825u FORMATION TOP , KMV PRICE RIVER 6528' LITHOLOGY SAND 25% SHALE 40% SILTSTONE 15% LIMESTONE 20%

7 Re	ported By	TC	M HARKINS							
	•	96	Com	pletion	\$0		Daily	Total	847,296	
• • • • • • • • • • • • • • • • • • • •	\$579,	580		•	80		-		\$579,580	
7,830	TVD	7.830	Progress	710	Days	6	MW	10.2	Visc	35.0
:		PBTD : 0	.0		Perf :			PKR Dep	oth: 0.0	
Report Tir	ne: POOH									
End	Hrs Act	tivity Desc	ription							
09:30	3.5 DR	ILL 7120 TO	O 7225 = 105 @	30 FPH W	TOB 14-18 R	PM 45-50	GPM 420 MN	1RPM 67		
10:00	0.5 SEI	RVICE RIG	CHECK COM							
03:30	17.5 DR	ILL 7225 TO	O 7830 =605 @ .	34.5 FPH V	VTOB 10-17	RPM 45-50	GPM 420 M	MRPM 67 M	W 10.8 VIS 35	
04:30	1.0 CIF	CULATE F	OR TOH FOR F	RATE (P	U MP WEIGH	T PILL DRO	OP SURVEY)		
06:00	1.5 TR	P TOH FOR	R P RATE (TIGH	IT 2nd AN	D 3rd STAND	WORK TH	IROUGH)			
	CR	EWS FULL	, NO ACCIDEN	ITS REPOI	RTED , SAFT	Y MEETIN	G , PROPER	PPE		
	FU	EL ON HAN	D 5311 USED	1134 , CI	неск сом х	. 3				
	BG	GAS 135 -	1658u HIGH G	AS 8087u	, FORMATIO	ON TOP MI	DDEL PRIC	E RIVER 731	0'	
	LIT	HOLOGY 5	50% SAND 35%	SHALE 1	5% SILTSTO	NE				
7 Re	ported By	TO	OM HARKINS							
: Drilling	\$39,3	08	Con	pletion	\$0		Daily	Total	\$39,308	
	\$618,	888	Con	ipletion	\$0		Well	Total	\$618,888	
8,206	TVD	8,206	Progress	376	Days	7	MW	10.7	Visc	36.0
:		PBTD : 0	.0		Perf:			PKR De _l	pth: 0.0	
Report Ti	me: DRILLIN	√G								
End	Hrs Ac	tivity Desc	ription							
09;00						TIGHT FRO	OT 0018 MC	7732 15–35 C	OVERPULL WO	ORK
09:30	0.5 TH	TO SHOE	@ 2455							
10:30	1.0 SL	P & CUT D	RILL LINE 100	" , CHEC	K AND SET C	OM				
13:30	3.0 TII	TO 7700"	NO TIGUE							
14:30	1.0.33/4		NO HIGHT							
	1.0 WA	SH/REAM	NO TIGHT FROM 7700 TC	7830 WI	ГОВ 0-5 , 10	'FILL				
19:00) GPM 400 M	IMRPM 64		
19:00 19:30	4.5 DR	ILL 7830 T	FROM 7700 TC	13.6 FPH V) GPM 400 M	IMRPM 64		
	4.5 DR 0.5 SE	ILL 7830 TO RVICE RIG	FROM 7700 TC O 7891 = 61 @	13.6 FPH V	VTOB 12-20 I	RPM 40 -50			MW 11.4 VIS 3	7
19:30	4.5 DR 0.5 SE 10.5 DR CR	ILL 7830 TO RVICE RIG ILL 7891 TO	FROM 7700 TC O 7891 = 61 @ . CHECK COM O 8206 = 315 @ . NO ACCIDEN	13.6 FPH V 30 FPH W	VTOB 12-20 I	RPM 40 -50	50 GPM 400 :	MMRPM 64 N		
19:30	4.5 DR 0.5 SE 10.5 DR CR CU	ILL 7830 TO RVICE RIG ILL 7891 TO EWS FULL T DRILL L	FROM 7700 TC O 7891 = 61 @ . CHECK COM O 8206 = 315 @ . NO ACCIDEN	13.6 FPH V 30 FPH W NTS REPO	VTOB 12-20 I TOB 15 - 20 RTED , SAFT	RPM 40 -50 RPM 45 - 5 Y MEETIN	50 GPM 400 :	MMRPM 64 N		
19:30	4.5 DR 0.5 SEI 10.5 DR CR CU FU	ILL 7830 TO RVICE RIG ILL 7891 TO EWS FULL T DRILL LI EL ON HAN	FROM 7700 TC D 7891 = 61 @ . CHECK COM D 8206 = 315 @ . NO ACCIDEN INE	13.6 FPH V 30 FPH W VTS REPO 1013 . CH	VTOB 12-20 I TOB 15 - 20 RTED , SAFT ECK COM X	RPM 40 -50 RPM 45 - 5 Y MEETIN	50 GPM 400 :	MMRPM 64 N		
19:30	4.5 DR 0.5 SEI 10.5 DR CR CU FU BG	ILL 7830 TO RVICE RIG ILL 7891 TO EWS FULL T DRILL LI EL ON HAN	FROM 7700 TC D 7891 = 61 @ . CHECK COM D 8206 = 315 @ . NO ACCIDEN INE ND 4298 USED	13.6 FPH V 30 FPH W NTS REPO 1013 , CH GAS 6815 u	TOB 12-20 I TOB 15 - 20 RTED, SAFT ECK COM X	RPM 40 -50 RPM 45 - 5 Y MEETIN 3	50 GPM 400 :	MMRPM 64 N		
19:30 06:00	4.5 DR 0.5 SEI 10.5 DR CR CU FU BG	ILL 7830 TO RVICE RIG ILL 7891 TO EWS FULL T DRILL LI EL ON HAN GAS 1658	FROM 7700 TC D 7891 = 61 @ . CHECK COM D 8206 = 315 @ . NO ACCIDEN INE ND 4298 USED – 2500u TRIP C	13.6 FPH V 30 FPH W NTS REPO 1013 , CH GAS 6815 u	TOB 12-20 I TOB 15 - 20 RTED, SAFT ECK COM X	RPM 40 -50 RPM 45 - 5 Y MEETIN 3	50 GPM 400 :	MMRPM 64 N		
19:30 06:00	4.5 DR 0.5 SEI 10.5 DR CR CU FU BG	ILL 7830 TO RVICE RIG ILL 7891 TO EWS FULL T DRILL LI EL ON HAN GAS 1658 THOLOGY	FROM 7700 TC D 7891 = 61 @ . CHECK COM D 8206 = 315 @ . NO ACCIDEN INE ND 4298 USED - 2500u TRIP C 50% SAND 35% OM HARKINS	13.6 FPH V 30 FPH W NTS REPO 1013 , CH GAS 6815 u	TOB 12-20 I TOB 15 - 20 RTED, SAFT ECK COM X	RPM 40 -50 RPM 45 - 5 Y MEETIN 3	50 GPM 400 :	MMRPM 64 N		
	7.830 Find Tilling 7.830 Find 7.8	### Styling \$47,29	### STORY STORY STORY	## Drilling	### Sprilling	Drilling	Drilling	Drilling	Drilling	Drilling

MD	8.780	TVD 8,780	Progress	574	Days	8	MW	11.6	Vise	37.0
Formation	n:	PBTD :	0.0		Perf:			PKR De	pth: 0.0	
Activity a	t Report Tir	ne: DRILLING								
Start	End	Hrs Activity Des	scription							
06:00	11:00	5.0 DRILL 8206	TO 8299 = 93 @	18.6 FPH V	VTOB 12-20 RF	M 45-55	GPM 400 M	IMRPM 64		
11:00	11:30	0.5 SERVICE RIG	G , CHECK COM	4						
11:30	06:00	18.5 DRILL 8299	TO 8780 = 481 @	9 26 FPH W	TOB 12-20 RPM	A 45-60	GPM 400 MI	MRPM 64 WN	4 11.6 VIS 35	
		CREWS FUL	L , NO ACCIDE	NTS, CHE	CK COM X 3					
		FUEL ON HA	AND 3141 USED	1157 . SAF	ETY MEETING	, RIG SI	ERVICE , CI	HECK CROW	N O MATIC	
		BG GAS 620	0 T O 8700 TRIP	GAS 6815	HIGH GAS 8880	i u				
		LITHOLOGY	SAND 50% SH	IALE 35% S	ILTSTONE 15%	,				
07-20-20	07 Re	ported By	TOM HARKINS							
DailyCost	ts: Drilling	\$44,428	Co	mpletion	\$13,587		Dail	y Total	\$58,015	
Cum Cos	ts: Drilling	\$701,455	Co	mpletion	\$14,160		Well	Total	\$715,615	
MD	8,815	TVD 8.815	Progress	35	Days	9	MW	11.8	Visc	41.0
Formatio	n:	PBTD:	0.0		Perf:			PKR De	pth: 0.0	
Activity a	t Report Ti	me: CIRCULATE FOR	CEMENT							
Start	End	Hrs Activity De	scription							
06:00	08:00	2.0 DRILL 8780	•	35 @ 17.5 F	PH WTOB 12-2	0 RPM 5	0 GPM 400 N	MMRPM 64 M	1W11.9 VIS 39.	REACHED
			HRS, 7/19/07.							
08:00	00-20	LE CIDCULATE	COD WIDED TO	ND DUNAD	WEIGHT DILL					
09:30	09:30 11:30	1.5 CIRCULATE				ON 074	TO 0400			
11:30	14:00	2.0 WIPER TRIP 2.5 CIRCULATE						LI DDOD CI	IDVEV	
14:00	21:00	7.0 LD/PU DRIL			FTT MCETING	, ruivir	WEIGHT FI	LL . DROP SC	JKVEI	
21:00	21:30	0.5 PULL WEAR		DI TULIA						
21:30	22:30	1.0 RU/RD SER\		FTY MEET	ING R/II CASE	RS				
22:30	06:00	7.5 RUN 4.5" 11,					@ 3991_60	19		
	,				CASING ON BT					
					CK CROWN O				3 USED 748	
07-21-20			TOM HARKINS				* *			
DailyCos	ts: Drilling	-	Co	mpletion	\$109,566		Daib	y Total	\$147,539	
Cum Cos	ts: Drilling	\$739,428		mpletion	\$123,727			Total	\$863,155	
MD	8.815	TVD 8.815	Progress	0	Days	10	MW	0.0	Visc	0.0
Formatio	n:	PBTD:	0.0		Perf:			PKR De	pth: 0.0	
Activity a	t Report Ti	me: RDRT								
Start	End	Hrs Activity De	scription							
06:00	07:00	1.0 CIRCULATE	, SAFTY MEET	ING ,R/U S	CHLUMBERGE	R				
07:00	09:30	2.5 CEMENT 20	8 JTS 4.5 #11.6	N-80 LT&C	, AND TWO MA	ARKER J	TS 4.5 11.6 F	P110 LTC . FL	OAT SHOE @	8796' 1 JT
		JT @ 4004-4	024' , 95 JTS CA	SE AND LA	I JTS CASEING ANDING JT. INS IZE EVERY 2N	TALL C	ENTRALIZE	RS ON SHOP	TS CASEING , I E JT .THREADI	MARKER .OCK
		POZ G+ YIEI	TH LEAD, 390 LD 1.29 H2O 5.9 H 2 GAL/1000 L	6 GAL/SK	POZ G+ , YEILI @ 14.1 PPG , DI:	O 1.75 , E SPLACE	I2O 9.1 GAL TO FLOAT (/SK @ 13.0PF COLLAR WIT	PG , TAIL 1445 TH 135 BBL FR	SKS 50/50 ESH
				· · · · · · · · · · · · · · · · · · ·	nge 8		• • • • • • • • • • • • • • • • • • • •			

HAD 75% RETURNS JFCP 2350 BUMP PLUG W/3300 FLOATS DID NOT HOLD REPRESURE AND SHUT IN A ATTEMP TO LAND DTO HANGER , AFTER SEVERAL ATTEMPS COULD NOT .

09:30	14:00	4.5 WAIT ON CEMENT BLEEDING EVERY 30 MIN. TO CONSTANT PSI
14:00	16:00	2.0 OTHER REMOVE ROTARY TABLE, LIFT AND HANG BOPS, P/U ON CASING 150 K, 30K BELOW STRING WT. RPLACED HANGER SEALS, FLUSHED HANGER ASSY, AND LANDED DTO HANGER W/53000#, TESTED TO 5000, OK
16:00	19:00	3.0 RIG DOWN BY HAND, DERRICK OVER @ 1700
19:00	06:00	11.0 WAIT ON DAY LIGHT WILL HAVE TRUCKS IN THE MOURNING, RIG MOVE. 9 TH OF A MILE
		NO ACCIDENTS REPORTED , CREWS FULL , SAFTY MEETING , RUN CASEING , CLEAN PITS
		ENDING FUEL 2311
		JACK ROGERS MUD LOGGER ON LOCATION 7-11-07 1400 RELEASED 7-19-07 1600

06:00

18.0 RIG RELEASED AT 16:00 HRS, 7/20/2007.

CASING POINT COST \$744.088

07-22-20)07 Re	eported l	By T	OM HARKINS							
DailyCos	ts: Drilling	•	4,659	Con	npletion	\$1,527		Daily	Total	\$6,186	
Cum Cos	ts: Drilling	\$	744,087	Con	npletion	\$125,254		Well	Total	\$869,342	-
MD	8,815	TVD	8,815	Progress	0	Days	11	MW	0.0	Visc	0.0
Formatio	n:		PBTD:	0.0		Perf:			PKR De	pth: 0.0	
Activity a	at Report Ti	me: WO	COMPLETION								
Start	End	Hrs	Activity Desc	cription							
06:00	15:00	9.0	FOUND CASI	NG VOID OF FL	LUID WIT	H SLIGHT BLO	W. ND B	OP. NU FRAC	VALVE.		
15:00	06:00	15.0				MOVED CAMP		- · - · - · - · ·		RRICK @ 1830	TRUCKS

RELEASED @ 20:00 .. R/U ROTARY TOOLS , 100% RIG MOVED , 90 % RIGGED UP

NO ACCIDENTS REPORTED , CREWS FULL , SAFTY MEETING , R/D WITH TRUCKS , PPE.

FINAL DRILLING REPORT.

Reported By	HISLOP							
ng 50		Completion	\$10,363		Daily	Total	\$10,363	
1g \$744.0	087	Completion	\$135.617		Well 7	Total	\$879,705	
TVD	8.815 Pro	gress 0	Days	12	MW	0.0	Visc	0.0
	PBTD: 8796.0		Perf:			PKR De	pth: 0.0	
Time: DRILL C	OUT CEMENT							
Hrs Act	tivity Descriptio	n						
W/3	3-7/8" MILL TOO	TH BIT TO TAG @		. BLEW	WELL DOWN	I. ND FRAC	VALVE. NU BO	OPE. RII
Reported By	HISLOP							
1g \$0		Completion	\$15,778		Daily	Total	\$15,778	
1g \$744,0	087	Completion	\$151,395		Well 7	Fotal	\$895,483	
5 TVD	8.815 Pro	gress 0	Days	13	MW	0.0	¥ 7*	
							Visc	0.0
	PBTD : 8796.0		Perf:			PKR De		0.0
	PBTD: 8796.0 RUN CH LOGS		Perf:			PKR De		0.0
	Time: DRILL C Hrs Ac 24.0 MII W/ Reported By 19 \$0 19 \$744,	s744,087 TVD 8.815 Pro PBTD: 8796.0 Time: DRILL OUT CEMENT Hrs Activity Description 24.0 MIRU ROYAL WELL W/3–7/8" MILL TOO Reported By HISLOP 19 \$0 19 \$744,087	ng \$744,087 Completion TVD 8.815 Progress 0 PBTD: 8796.0 Time: DRILL OUT CEMENT Hrs Activity Description 24.0 MIRU ROYAL WELL SERVICE RIG #2. W/3–7/8" MILL TOOTH BIT TO TAG @ Reported By HISLOP ng \$0 Completion \$744,087 Completion	ng \$744,087 Completion \$135.617 5 TVD 8.815 Progress 0 Days PBTD: 8796.0 Perf: Time: DRILL OUT CEMENT Hrs Activity Description 24.0 MIRU ROYAL WELL SERVICE RIG #2. SICP 1500 PSIG W/3–7/8" MILL TOOTH BIT TO TAG @ 8750". SDFN. Reported By HISLOP ng \$0 Completion \$15.778 ng \$744,087 Completion \$151,395	S744,087 Completion \$135.617 S TVD 8.815 Progress 0 Days 12 PBTD : 8796.0 Perf :	ng \$744,087 Completion \$135.617 Well 7 5 TVD 8.815 Progress 0 Days 12 MW	ng \$7-44.087 Completion \$135.617 Well Total 5 TVD 8.815 Progress 0 Days 12 MW 0.0 PBTD: 8796.0 Perf: PKR Dep Time: DRILL OUT CEMENT Hrs Activity Description 24.0 MIRU ROYAL WELL SERVICE RIG #2. SICP 1500 PSIG. BLEW WELL DOWN. ND FRAC W/3-7/8" MILL TOOTH BIT TO TAG @ 8750". SDFN. Reported By HISLOP ng \$0 Completion \$15.778 Daily Total ng \$744,087 Completion \$151,395 Well Total	ng \$7.44.087 Completion \$135.617 Well Total \$879,705 5 TVD 8.815 Progress 0 Days 12 MW 0.0 Visc PBTD: 8796.0 Perf: PKR Depth: 0.0 Time: DRILL OUT CEMENT Hrs Activity Description 24.0 MIRU ROYAL WELL SERVICE RIG #2. SICP 1500 PSIG. BLEW WELL DOWN. ND FRAC VALVE. NU BOW/3-7/8" MILL TOOTH BIT TO TAG @ 8750'. SDFN. Reported By HISLOP 18 \$0 Completion \$15.778 Daily Total \$15,778

06:00 06:00

24.0 SITP 1000 PSIG. SICP 1000 PSIG. BLEW WELL DOWN. DRILLED OUT 33' CEMENT TO FC. POH. RU LONE WOLF WIRELINE. SET CIBP @ 8735'. RDWL. TESTED CASING TO 5000 PSIG. RIH W/NOTCHED COLLAR TO 8700'. CIRCULATED OUT GAS W/130 BBLS TREATED WATER. POH, LD TUBING. SDFN.

HISLOP 07-28-2007 Reported By \$0 DailyCosts: Drilling Completion \$2,247 **Daily Total** \$2,247 **Cum Costs: Drilling** \$744,087 Completion \$153,642 Well Total S897,730 MD 8.815 TVD 8,815 0.0 **Progress** Days 14 MWVisc 0.0 Formation: **PBTD:** 8796.0 Perf: PKR Depth: 0.0 Activity at Report Time: PREP TO RUN CH LOGS Start End **Activity Description** 06:00 24.0 SICP 0 PSIG. ND BOP. NU 4-1/16" 10K FRAC TREE. RDMOSU. PREP TO RUN CH LOGS. 06:00 07-30-2007 Reported By **SEARLE** DailyCosts: Drilling **SO** Completion \$17,307 **Daily Total** \$17,307 \$744,087 **Cum Costs: Drilling** Completion \$170,949 Well Total \$915,037 MD 8,815 **TVD** 8,815 Days 15 0.0 **Progress** MW0.0 Visc **PBTD:** 8796.0 Formation: Perf: PKR Depth: 0.0 **Activity at Report Time: PREP FOR FRACS** Start End Hrs **Activity Description** 06:00 06:00 24.0 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 170'. EST CEMENT TOP @ 1970'. RD SCHLUMBERGER. 08-04-2007 Reported By **MCCURDY** DailyCosts: Drilling Completion \$2,505 **Daily Total** \$2,505 \$744,087 **Cum Costs: Drilling** Completion \$173,454 Well Total \$917,542 MD 8,815 **TVD** 8,815 **Progress** Days 16 MW 0.0 0.0 Visc Formation: **PBTD:** 8796.0 Perf: PKR Depth: 0.0 Activity at Report Time: WO COMPLETION End Start **Activity Description** 06:00 08:00 2.0 NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIGL. WO COMPLETION. 08-10-2007 Reported By **MCCURDY Daily Costs: Drilling** \$0 Completion \$570 \$570 **Daily Total** \$744,087 **Cum Costs: Drilling** \$174,024 Completion Well Total \$918,112 8.815 MD **TVD** 8,815 0 **Progress** Days 17 MW 0.0 0.0 Visc Formation: MESAVERDE **PBTD:** 8796.0 Perf: 8000'-8556' PKR Depth: 0.0

Activity at Report Time: FRAC MPR/UPR

Start End Hrs Activity Description

11:00 18:00 7.0 MIRU CUTTERS WIRELINE & PERFORATE LPR FROM 8354'-55', 8365'-66', 8370'-71', 8392'-93', 8399'-400', 8408'-09', 8439'-40', 8455'-56', 8478'-79', 8490'-91', 8527'-28', 8533'-34', 8555'-56' @ 3 SPF @ 120° PHASING. RDWL. MIRU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5192 GAL WF120 LINEAR PAD, 11,791 GAL WF120 LINEAR 1# &2#, 55,677 GAL YF116ST+ WITH 175,100 # 20/40 SAND @ 1-4

 $PPG.\ MTP\ 6385\ PSIG.\ MTR\ 50.7\ BPM.\ ATP\ 4594\ PSIG.\ ATR\ 48.9\ BPM.\ ISIP\ 3300\ PSIG.\ RD\ SCHLUMBERGER.$

RUWL SET 10K CFP AT 8,270°. PERFORATE LPR/MPR FROM 8000°-01°, 8008°-09°, 8048°-49°, 8064°-63°, 8150°-51°, 8173°-75°, 8186°-87°, 8199°-200°, 8255°-56° @ 3 SPF @ 120° PHASING. RDWL. MIRU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4137 GAL WF120 LINEAR PAD, 10.537 GAL WF120 LINEAR 1# &2#, 54,500 GAL YF116ST+ WITH 178,900 # 20/40 SAND @ 1-5 PPG, MTP 6042 PSIG. MTR 50.7 BPM. ATP 4838 PSIG. ATR 47.9 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER. SWIFN.

08-11-2007	Reported By	y M	CCURDY							
DailyCosts: Drillin	ng 50		Com	pletion	\$288,984		Daily '	Total	\$288,984	
Cum Costs: Drillin	ng \$7-	14,087	Com	pletion	\$463,008		Well 7	Total	\$1,207,096	
MD 8.81:	5 TVD	8.815	Progress	0	Days	18	MW	0.0	Visc	0.0
Formation: MESA	VERDE	PBTD : 8	796.0		Perf: 6633'-	-8556'		PKR Dep	oth: 0.0	

Activity at Report Time: PREP TO MIRUSU

06:00

Start End firs Activity Description	Start	End	Hrs	Activity	Description
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10:00 SICP 2033 PSIG. RUWL. SET 10K CFP AT 7810'. PERFORATED MPR FROM 7627'-28', 7636'-37', 7643'-44', 7679'-80', 7688'-90', 7698'-99', 7723'-24', 7772'-73', 7776'-77', 7782'-83' & 7789'-90' @ 3 SPF & 120' PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4150 GAL WF120 LINEAR PAD, 9274 GAL WF120 LINEAR 1# & 2#, 46804 GAL YF116ST+ WITH 151600# 20/40 SAND @ 1-5 PPG.

MTP 5971 PSIG. MTR 50.1 BPM. ATP 4409 PSIG. ATR 46.8 BPM. ISIP 3050 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7570'. PERFORATED MPR FROM 7393'-94', 7402'-03', 7443'-44', 7453'-54', 7460'-61', 7487'-88', 7509'-10', 7519'-20', 7528'-29', 7536'-37', 7547'-48' & 7552'-53' @ 3 SPF & 120' PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4143 GAL WF120 LINEAR PAD, 10534 GAL WF120 LINEAR 1# & 2#, 53362 GAL YF116ST+ WITH 177600# 20/40 SAND @ 1-5 PPG. MTP 5679 PSIG. MTR 50.8 BPM. ATP 3767 PSIG. ATR 47.2 BPM. ISIP 2040 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7370'. PERFORATED UPR FROM 7166'-67', 7173'-74', 7199'-200', 7246'-47', 7251'-52', 7285'-86', 7295'-96', 7315'-16', 7326'-27', 7333'-34', 7343'-44' & 7355'-56' @ 3 SPF & 120' PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4140 GAL WF120 LINEAR PAD, 9274 GAL WF120 LINEAR 1# & 2#, 46562 GAL YF116ST+ WITH 151500# 20/40 SAND @ 1-5 PPG. MTP 5809 PSIG. MTR 50.7 BPM. ATP 3948 PSIG. ATR 48.1 BPM. ISIP 2220 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7105'. PERFORATED UPR FROM 6889'-90', 6906'-07', 6717'-18', 6942'-43', 6950'-52', 6960'-61', 7019'-21', 7041'-43' & 7088'-89' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106. 3105 GAL WF120 LINEAR PAD, 6336 GAL WF120 LINEAR 1# & 2#, 32559 GAL YF116ST+ WITH 99800# 20/40 SAND @ 1-5 PPG. MTP 5529 PSIG. MTR 50.4 BPM. ATP 3784 PSIG. ATR 45.9 BPM. ISIP 2130 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 6845'. PERFORATED UPR FROM 6633'-34', 6639'-40', 6645'-46', 6703'-05', 6713'-14', 6762'-63', 6769'-70', 6776'-77', 6823'-25' & 6830'-31' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4140 GAL WF120 LINEAR PAD, 7599 GAL WF120 LINEAR 1# & 2#, 40635 GAL YF116ST+ WITH 128800# 20/40 SAND @ 1-5 PPG. MTP 5399 PSIG. MTR 50.2 BPM. ATP 3562 PSIG. ATR 47.2 BPM. ISIP 2030 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 6535'. BLED OFF PRESSURE. RDWL. SDFN.

08-14-2007	Reporte	d By S	EARLE							
DailyCosts: Da	rilling	\$0	Con	npletion	\$7,775		Daily	Total	\$7,775	
Cum Costs: D	rilling	\$744,087	Con	npletion	\$470,783		Well 7	Fotal	\$1,214,871	
MD	3,815 TV D	8.815	Progress	0	Days	19	MW	0.0	Visc	0.0
Formation : M	ESAVERDE	PBTD:	8796.0		Perf: 6633'-	-8556'		PKR Dep	oth: 0.0	
Activity at Rep	oort Time: Cl	LEAN OUT AFTE	R FRAC							
Start En	d Hrs	Activity Des	cription							

	07 Re	ported By	SE	EARLE							
DailyCost	s: Drilling	\$0		Com	pletion	\$12,075		Dail	y Total	\$12,075	
•	s: Drilling	\$744	,087		pletion	\$482,858			Total	\$1,226,946	
MD	8,815	TVD	8,815	Progress	. 0	Days	20	MW	0.0	Visc	0.0
	n: MESAVE		PBTD : 8	.,		Perf : 6633'-		14444	PKR De		3,10
	t Report Ti			, 70.0		101111000	0.7,10		i iii ii	Juli 1 0.0	
Start	End		tivity Desc	rintion							
06:00	17:00	11.0 SIG 65.	CP 0 PSIG. R 35', 6845', 7	all WITH 3 7/8" 105', 7370', 7570 REE. PUMP OF	oʻ, 7810′ &	k 8270'. RIH. C					
		FII	NAL COMPI	LETION DATE:	8/14/07						
		FL	OWED 13 H	RS. 16/64" CHO	KE. FTP	1750 PSIG. CP	2125 PSIC	6. 42 BFPH. i	RECOVERED	629 BLW. 9610	BLWTR
		Τι	BING DETA	AIL DEPTH							
		PU	JMP OFF SU	B .91'							
		l J	T 2-3/8" 4.7	# N80 TUBING	32.63*						
		· XI	N NIPPLE	1.10'							
		21	6 JTS 2-3/8"	4.7# N80 TUBI	NG 7045	.37'					
		ВЕ	ELOW KB	13.00'							
		LA	ANDED @	7093.01' KB							
8-16-20	07 R	ported By	SE	EARLE/HEATH	LEMON						
DailyCost	s: Drilling	\$0		Com	pletion	\$3,675		Dail	y Total	\$3,675	
-	ts: Drilling	\$744	,087		pletion	\$486,533			Total	\$1,230,621	
MD	8.815	TVD	8,815	Progress	0	Days	21	MW	0.0	Visc	0.0
ormatio	n: MESAVE	RDE	PBTD : 8	796.0		Perf : 6633'	-8556'		PKR De	pth: 0.0	
41 14	t Report Ti	me: FLOW	TEST TO SA	LES/INITIAL P	RODUCTI	ION			•	•	
activity a	End	Hrs A	ctivity Desc	ription							
•			-	•	TECT III	IT 20/4 (" CUA	VE ETD	1575 PSIG C	D 2400 PSIG	47 BFPH. REC	OVERED
Start 06:00	06:00			9 BLWTR, 381			KE. FIF		. 2400 i SiG.		
Start	06:00	11	31 BLW. 847		MCFD RA	ITE. ESSURE: TP 16	75 & CP 2	:350 PSI. TU	RNED WELL	TO QUESTAR	SALES A
6:00		11	31 BLW. 847 ITIAL PROE :00 AM, 8/15	9 BLWTR. 381 1	MCFD RA NING PRE 073 MCFD	ITE. ESSURE: TP 16	75 & CP 2	:350 PSI. TU	RNED WELL	TO QUESTAR	SALES A
6:00 06:00 08-17-20		11 IN 11	31 BLW. 847 ITIAL PROE :00 AM, 8/15	9 BLWTR. 381 P DUCTION. OPE 6/07. FLOWED 6 EARLE/HEATH	MCFD RA NING PRE 073 MCFD	ITE. ESSURE: TP 16	75 & CP 2	350 PSI. TU HOKE. STA	RNED WELL	TO QUESTAR \$3,675	SALES A
06:00 08-17-20 Daily Cost	907 R	IN IN 11 eported By	31 BLW. 847 IITIAL PROE :00 AM, 8/15 SI	9 BLWTR, 381 P DUCTION, OPER 1/07, FLOWED 6 EARLE/HEATH Com	MCFD RA NING PRE 173 MCFD LEMON	ESSURE: TP 16 RATE ON 20/6	75 & CP 2	350 PSI. TU HOKE. STA Dail	RNED WELL FIC 245.		SALES A

Activity Description

Start

End

Hrs

06:00 06:00 24.0 FLOWED 24 HRS THROUGH TEST UNIT. 22/64" CHOKE, FTP 1425 PSIG, CP 2300 PSIG, 47 BFPH, RECOVERED 1168 BLW, 7311 BLWTR, 657 MCFD RATE.

FLOWED 505 MCF, 20 BC & 1100 BW IN 24 HRS ON 20/64" CHOKE, TP 1550 PSIG & CP 2450 PSIG.

Form	3	160-4
CApr	il	3114)

UNITED STATES

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 200

April 304)			D Bl	EPARTME JREAU OF	NT OF THE LAND MAN	INTERI NAGEM	OR Ent					Ol	MBNO. 10 oires: Marc	
	WELL	COMF			ECOMPLET			AND	LOG		5.	Lease Se U-0130	erial No.	
la. Type of	Well		_	Gas Well	Dry Othe						6.	If Indian	, Allottee c	or Tribe Name
h, Type of	Completion	•	✓ New Other	Well	Work Over	Deepen	Plug	Васк	Diff. F	esvr	7.		A Agreen	nent Name and No.
2. Name of	Operator	EOG R	esource	s, Inc.							8.	Lease N	ame and W	
3. Address	600 17th	Street,	Suite 16	000N, Denvei	r, CO 80202				include area	code)	9.	AFI We		
					ordance with Fe	ederal rea		3-824-5 v/*	520		10.	_		Exploratory
														Mesaverde
At surfa At top p	rod. interva				W) 40.019553 l	LAI 105	9.D14892	LON				Survey	or Area So	Block and ec. 22-T9S-R23E
At total	donth Sa	ıme									12	County Uintah		13. State UT
14. Date Sp	depair		15. E	ate T.D. Reach	ned	16.	Date Co	• •	'///		17		ons (DF, R	KB, RT, GL)*
06/09/				07/19/2007	lug Back T.D.:	MD 970	D&	A	✓ Ready to 20. Dept		Plug Set		ATTE	
18. Total D	epth: MD TV) 8815 D		19. P		TVD	7 0	ļ		. 2		TVD		
21 Tyne F			hanical	Logs Run (St	ibmit copy of ea					well cor		No		nit analysis)
RST/C	BL/CCL/	VDE/GI	TL	emp	, mud					DST rur tional S		No ☐ ✓ No	Yes (Subr Yes (S	ubmit copy)
3 Casing	1			t all strings :	1	Stage C	ementer	No. c	of Sks. &	Slurr	y Vol.	Cement	Ton*	Amount Pulled
Hole Size	Size, Grad		(#/ft.)	Top (MD)	Bottom (MD)	Dep	oth	Type 1075	of Cement	(B	BL)	Cellient	ТОР	
12-1/4"	9-5/8"	36.0		J-55 N-80	0-2455 0-8796	-		1835						
7-7/8"	4-1/2"	11.0	**	11-00	0-0/70									
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						<u> </u>								
	<u></u>				<u> </u>	<u> </u>		L						
24 Tubing		Set (MD)	Packe	Depth (MD)	Size	Depth S	Set (MD)	Packer	Depth (MD)[Size	Depth	Set (MD)	Packer Depth (MD)
2-3/8"	7093	SCI (MD)	Tucke	Depin (ma)	0.00	T								
25. Produc	ing Interva	ls					Perforation			Cino	T No	Holes		Perf. Status
	Formation			Тор	Bottom		erforated	Interval		Size	3/spf	noies		CII. Status
	verde			6633	8556	8354-8					3/spf			
B)						7627-					3/spf			
<u>C)</u>						7393-					3/spf			
	Fracture, Tr	eatment, (ement	squeeze, etc.						14				
	Depth Interv	al			a correspond	/ A (TO ED)			and Type of	Materia	ıl			
8354-85				72,825 GAI	S GELLED W	ATERS	£ 178.900)# 20/4)# 20/4	O SAND					
8000-82 7627-77			-	60_393 GAI	S GELLED W	ATER 8	£ 151.600	0# 20/4	0 SAND					
7393-75					S GELLED W									
28. Produ	action - Inte	rval A					1 65 4	- .	Gas		Production	Mathod		
Date First Produced	Fest Date	Hours Tested	Test Produ	Oil ction BBL		Water BBL	Oil Gra	API	Gravi	y				
08/15/2007	08/18/2007	24		20		891					FLOWS	FROM WE	.LL	
Choke	Tbg. Press. Flwg.	Csg. Press.	24 Hr	Oil BBL		Water BBL	Gas/Oi Ratio	I	Well S	atus	BB O D T	CINC CAS	WELL	
Size 20/64"	SI 1400	2350	Rate	20	915	891					PRUDU	CING GAS	TY ELL	
	luction - Int						10.0		10		Decolossi	1 Method		
Date First Produced	Test Date	Hours Tested	Test Produc	oil BBL		Water BBL	Oil Gri Corr. A	ivity API	Gas Gravity		rioducioi	i :victilou		
Choke	Tbg. Press. Flwg.	Csg. Press.	24 Hr Rate	Oil BBL		Water BBL	Gas Oi Ratio	l	Well Si	atus	.		D	CEIVED

*(See instructions and spaces for additional data on page 2)

SEP 0 4 2007

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Тор
Meas. Depth
147
032
678 538
308
065 610

s)*
- ;

Chapita Wells Unit 1117-22 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

7166-7356	3/spf
6889-7089	3/spf
6633-6831	3/spf

27. ACID. FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

	AND ALL SOLL SOLL SOLL SOLL SOLL SOLL SOLL
7166-7356	60,141 GALS GELLED WATER & 151,500# 20/40 SAND
6889-7089	42,165 GALS GELLED WATER & 99,800# 20/40 SAND
6633-6831	52,539 GALS GELLED WATER & 128,800# 20/40 SAND

Perforated the Lower Price River from 8354-8355', 8365-8366', 8370-8371', 8392-8393', 8399-8400', 8408-8409', 8439-8440', 8455-8456', 8478-8479', 8490-8491', 8527-8528', 8533-8534' & 8555-8556' w/ 3 spf.

Perforated the Lower/Middle Price River from 8000-8001', 8008-8009', 8048-8049', 8061-8063', 8150-8151', 8173-8175', 8186-8187', 8199-8200' & 8255-8256' w/ 3 spf.

Perforated the Middle Price River from 7627-7628', 7636-7637', 7643-7644', 7679-7680', 7688-7690', 7698-7699', 7723-7724', 7772-7773', 7776-7777', 7782-7783' & 7789-7790' w/ 3 spf.

Perforated the Middle Price River from 7393-7394', 7402-7403', 7443-7444', 7453-7454', 7460-7461', 7487-7488', 7509-7510', 7519-7520', 7528-7529', 7536-7537', 7547-7548' & 7552-7553' w/ 3 spf.

Perforated the Upper Price River from 7166-7167', 7173-7174', 7199-7200', 7246-7247', 7251-7252', 7285-7286', 7295-7296', 7315-7316', 7326-7327', 7333-7334', 7343-7344' & 7355-7356' w/ 3 spf.

Perforated the Upper Price River from 6889-6890', 6906-6907', 6917-6918', 6942-6943', 6950-6952', 6960-6961', 7019-7021', 7041-7043' & 7088-7089' w/ 3 spf.

Perforated the Upper Price River from 6633-6634', 6639-6640', 6645-6646', 6703-6705', 6713-6714', 6762-6763', 6769-6770', 6776-6777', 6823-6825' & 6830-6831' w/ 3 spf.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

	014/11	1117.00			
	number: CWU	1117-22			
API number: _4					LUNTAL
Well Location: (QQ <u>NESW</u> Sect	ion <u>22 </u>	vnship <u>9S</u> Range <u>23E</u>	Cou	nty OINTAH
Well operator:	EOG				
Address:	1060 E HWY 4	0			
	city VERNAL	st	ate UT zip 84078	Ph	one: (435) 781-9111
Drilling contrac	tor: CRAIGS R	OUSTABOUT	SERVICE		
Address:	PO BOX 41				
	city JENSEN	Si	ate UT zip 84035	Ph	none: (435) 781-1367
Water encount	ered (attach add	ditional pages	as needed):		
Γ	DEPT	ТН	VOLUME		QUALITY
ţ	FROM	то	(FLOW RATE OR HEAD)	(FRESH OR SALTY)
	1,730	1,750	NO FLOW		NOT KNOWN
-					
}					
-				<u> </u>	
L				·	
Formation tops	s: 1		22		3
(Top to Bottom			5		6
	7		8		9
	10		11		12
			ncountered, please attach	а сору	of the report to this form.
NAME (PLEASE PRI	INT Mary A. Mae	estas	TI	rLE Re	gulatory Assistant
Time (i certor rio	11 6	5/1		ATE 8/3	0/2007

(5/2000)





United States Department of the Interior

BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155



IN REPLY REFER TO 3180 UT-922

EOG Resources, Inc. Attn: Debbie Spears 600 Seventeenth Street Suite 1000N Denver, CO 80202 SEP 08 2008

RECEIVED

SEP 15 2008

DIV. OF OIL CAS & MOULD

Re:

Consolidated Mesaverde Formation PA

"A-Z,AA-BB" Chapita Wells Unit

Uintah County, Utah

Dear Ms. Spears:

The Consolidated Mesaverde Formation PA "A-Z,AA-BB", Chapita Wells Unit, CRS No. UTU63013BF, AFS No. 892000905BF, is hereby approved effective as of August 1, 2007, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

TO 13650

The Consolidated Mesaverde Formation PA "A-Z,AA-BB" results in an initial consolidated participating area of 16,930.04 acres and is based upon the completion the following wells as capable of producing unitized substances in paying quantities.

· WELL NO.	ADING	LOCATION	L FAGE NO	from
WELL NO.	API NO.	LOCATION	LEASE NO.	
CWU 672-1	43-047-36762	NE1/4SW1/4, 01-9S-22E	UTU01458	16018
CWU 1223-01	43-047-38409	NW1/4SE1/4, 01-9S-22E	UTU01458	16160
CWU 1169-10	43-047-37692	NE1/4SE1/4, 10-9S-22E	UTU0281	16/6/
CWU 447-10	43-047-38084	SE14NW14, 10-9S-22E	UTU0281	16071
CWU 1174-10	43-047-37699	SW1/4NE1/4, 10-9S-22E	UTU0281	16/60
CWU 1224-11	43- 0 47-38599	NW1/4NW1/4, 11-9S-22E	UTU0281	16230
CWU 836-11	43-047-37874	SW1/4SW1/4, 11-9S-22E	UTU0281	16110
CWU 716-07	43-047-38408	SW1/4SW1/4, 07-9S-23E	UTU0343	16118
CWU 1236-21	43-047-38066	NE1/4SE1/4, 21-9S-23E	UTU0336A	16263
CWU 1237-21	43-047-38078	SW1/4SE1/4, 21-9S-23E	UTU0336A	16291
CWU 1118-22	43-047-37495	NE1/4SE1/4, 22-9S-23E	UTU01301	16228
CWU 1117-22	43-047-37496	NE1/4SW1/4, 22-9S-23E	UTU01301	16195
CWU 1090-27	43-047-37048	SW1/4SW1/4, 27-9S-23E	UTU0344A	110196
CWU1095-2	2 4304737457	SWSW 22,95,23	E UTU-0/301	1564

Copies of the approved request are being distributed to the appropriate federal agencies and one copy is returned herewith. Please advise all interested parties of the approval of the Consolidated Mesaverde Formation PA "A-Z,AA-BB", Chapita Wells Unit, and the effective date.

Sincerely,

/s/ Becky J. Hammond

Becky J. Hammond Chief, Branch of Fluid Minerals

Enclosure

bcc: Division of Oil, Gas & Mining

SITLA

Chapita Wells Unit w/enclosure

MMS - Data Management Division (Attn: Leona Reilly w/exhibit B)

Field Manager - Vernal w/enclosure

Fluids – Judy Fluids - Mickey Agr. Sec. Chron. Reading File Central Files

CSeare:cs: (09/08/08)cons.chapita.A-Z,AA-BB" (U63013BF)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS AND MINING

	ENTITY ACTION FORM						
Operator:	EOG RESOURCES		Operator Account Number:	N 9550			
Address:	1060 East Highway 40						
	city VERNAL						
	state UT	zin 84078	Phone Number:	(435) 781-9145			

API Number	Well	Well Name QQ Sec Twp				Rng County		
43-047-37496	CHAPITA WELLS UNIT 1117-22		NESW	NESW 22 9S		23E	UINTAH	
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignmen Effective Date			
С	16195	13650		6/9/2007	7		8/1/2007	

Well 2

API Number	Well	QQ S		Twp	Rng	County	
43-047-37048	CHAPITA WELLS UN	CHAPITA WELLS UNIT 1090-27			9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignme Effective Date		
С ,	16196	13650	6/11/2007		8/1/2007		

Well 3

Well Name		QQ	QQ Sec Twp		Rng County		
Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date		
	Current Entity	Current Entity New Entity	Current Entity New Entity S	Current Entity New Entity Spud Date	Current Entity New Entity Spud Date	Current Entity New Entity Spud Date Entit	

ACTION CODES:

- A Establish new entity for new well (single well only)
- **B** Add new well to existing entity (group or unit well)
- C Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

RECEIVED

Mickenzie Thacker

Name (Please Print) Signature Operations Clerk 10/14/2008 Title Date

OCT 1 4 2008

(5/2000)

rm 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2016

SUNDRY NOTICES	
Do not use this form for	proposals to drill or to re-enter an

Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.				6. If Indian, Allottee or Tribe Name			
						SUBMIT IN TRIPLICATE - Other instructions on reverse side.	
1. Type of Well ☐ Oil Well Gas Well ☐ Other				8. Well Name and No. CHAPITA WELLS UNIT 1117-22			
2. Name of Operator Contact: MICKENZIE THACKER				9. API Well No.			
EOG RESOURCES, INC. E-Mail: MICKENZIE_THACKER@EOGRESOURCES.COM				43-047-37496			
^{3a.} Address 1060 E. HWY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 453-781-9145		10. Field and Pool, or Exploratory NATURAL BUTTES				
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)				11. County or Parish, and State			
Sec 22 T9S R23E NESW 195 40.01955 N Lat, 109.31489 W		UINT		TY, UT			
12. CHECK APPI	ROPRIATE BOX(ES) TO	O INDICATE NATURE OF	NOTICE, R	EPORT, OR OTHE	R DATA		
TYPE OF SUBMISSION	TYPE OF ACTION						
☐ Notice of Intent	☐ Acidize	□ Deepen	□ Product	ion (Start/Resume)	■ Water Shut-Off		
_	☐ Alter Casing	☐ Fracture Treat	Reclam	ation	■ Well Integrity		
🔼 Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomp	olete	☐ Other		
☐ Final Abandonment Notice	☐ Change Plans	□ Plug and Abandon	☐ Tempor	arily Abandon			
	☐ Convert to Injection ☐ Plug Back ☐ W		■ Water I	Disposal			
If the proposal is to deepen direction. Attach the Bond under which the wo following completion of the involved testing has been completed. Final All determined that the site is ready for f All material, debris, trash, and Stockpiled topsoil was spread mixture. The seeded area was November 2008.	rk will be performed or provide a operations. If the operation re condomment Notices shall be fil final inspection.) I junk was removed from to over the pit area and bro	the Bond No. on file with BLM/BI sults in a multiple completion or red only after all requirements, included the location. The reserve pit adcast seeded with the pres	A. Required sulcompletion in a suding reclamation was reclaime cribed seed	osequent reports shall be new interval, a Form 316 n, have been completed,	filed within 30 days 0-4 shall be filed once		
14. I hereby certify that the foregoing is	true and correct.	<u> </u>					
, , , , ,	Electronic Submission #	66309 verified by the BLM We RESOURCES, INC., sent to the	ell Information e Vernal	System			
Name (Printed/Typed) MICKENZ	Title OPER	Title OPERATIONS CLERK					
Signature Wickerpric Subnite Abull Date 01/14/2009							
THIS SPACE FOR FEDERAL OR STATE OFFICE USE							
Approved By		Title			Date		
Conditions of approval, if any, are attache							
certify that the applicant holds legal or equivalent would entitle the applicant to condu		e subject lease Office					

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMIT RECEIVED R-SUBMITTED **